

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

HOUSE BILL 2981

By: Jett

AS INTRODUCED

An Act relating to revenue and taxation; authorizing a credit against state income tax for certain entities providing certain English language training; defining terms; limiting amount of credit; providing for carryover of credit; authorizing a credit against state income tax for expenses associated with taking English training programs or classes; stating qualifications for credit; limiting amount of credit; authorizing the Oklahoma Tax Commission to prescribe certain forms; authorizing a credit against state income tax for employers providing English training for employees; defining terms; allowing carryover of the credit; authorizing a credit against state income tax for expenses associated with taking a certain English-as-a-second-language teacher certification test; stating qualifications for credit; limiting amount of credit; authorizing the Oklahoma Tax Commission to prescribe certain forms; authorizing a credit against state income tax for employers paying certain expenses associated with certain testing by employees; defining terms; allowing carryover of the credit; providing for codification; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.204 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For taxable years beginning after December 31, 2006, there shall be allowed a credit against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes for eligible expenses incurred by entities primarily engaged in the business of providing English-as-a-second-language learning programs and classes to English learners.

B. As used in this section "eligible expenses" means an amount the entity primarily engaged in the business of providing English-as-a-second-language learning programs and classes to English

learner would have received for tuition and fees for English training classes or programs if the entity provides the English training classes or programs free of tuition and fee charges to:

1. Public school students who are English-language learners and who have been referred to the entity by the public school district for English training; and

2. Legal immigrants who are English-language learners.

C. The amount of the credit allowed pursuant to the provisions of this section for each entity shall not exceed the usual and customary amount of tuition and fees charged by the entity for English training classes and programs. The credit shall not be allowed for any amounts for which the entity claims or receives an income tax credit, exemption, or deduction.

D. Any credits allowed but not used in any tax year may be carried over in order to each of the four (4) tax years following the year of qualification.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.205 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For taxable years beginning after December 31, 2006, there shall be allowed against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes a credit equal to one hundred percent (100%) of the amount paid by the taxpayer for tuition, fees, and books for English training programs or classes. To qualify for the credit provided for in this subsection, the taxpayer shall be a legal immigrant.

B. In no event shall the amount of credit provided for in subsection A of this section for an eligible taxpayer exceed the tax liability of the taxpayer in the calendar year.

C. The Oklahoma Tax Commission shall have the authority to prescribe forms for purposes of claiming the credit authorized in subsection A of this section.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.206 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For taxable years beginning after December 31, 2006, there shall be allowed a credit against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes for employers incurring eligible expenses in connection with providing English training classes or programs to employees who are legal immigrants and are English language learners.

B. As used in this section "Eligible expenses" shall mean the amount of tuition and fees paid by the employer for English training classes or programs for full-time employees who are legal immigrants and are English language learners.

C. As used in this section "Employer" means a taxpayer who employs one or more full-time equivalent employees and whose primary source of income is from a business other than the business of providing English-as-a-second-language training.

D. Any credits allowed but not used in any tax year may be carried over in order to each of the four (4) tax years following the year of qualification.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.207 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For taxable years beginning after December 31, 2006, there shall be allowed against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes a credit equal to one hundred percent (100%) of the amount paid by the taxpayer for fees associated with taking the English-as-a-second-language teacher certification test administered by the Oklahoma Commission for Teacher Preparation pursuant to Section 6-187 of Title 70 of the Oklahoma Statutes. To qualify for the credit provided for in this subsection, the taxpayer shall be a full-time classroom teacher employed by a public school

district or private school in the state and assigned to teach English-language learner students.

B. In no event shall the amount of credit provided for in subsection A of this section for an eligible taxpayer exceed the tax liability of the taxpayer in the calendar year.

C. The Oklahoma Tax Commission shall have the authority to prescribe forms for purposes of claiming the credit authorized in subsection A of this section.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.208 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For taxable years beginning after December 31, 2006, there shall be allowed a credit against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes for employers incurring eligible expenses in connection with paying the fees associated with taking the English-as-a-second-language teacher certification test administered by the Oklahoma Commission for Teacher Preparation pursuant to Section 6-187 of Title 70 of the Oklahoma Statutes when the test is taken by a full-time employee.

B. As used in this section "Eligible expenses" shall mean the total amount of fees paid by the employer on behalf of a full-time employee who takes the English-as-a-second-language teacher certification test administered by the Oklahoma Commission for Teacher Preparation pursuant to Section 6-187 of Title 70 of the Oklahoma Statutes and who is employed as a full-time teacher of English language training classes or programs.

C. As used in this section "Employer" means a taxpayer who employs one or more full-time-equivalent employees and whose primary source of income is the business of providing English-as-a-second-language training.

D. Any credits allowed but not used in any tax year may be carried over in order to each of the four (4) tax years following the year of qualification.

SECTION 6. This act shall become effective July 1, 2006.

SECTION 7. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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