

1 ENGROSSED HOUSE AMENDMENT

TO

2 ENGROSSED SENATE BILL NO. 1558

By: Gumm and Branam of the
Senate

3

and

4

Adkins of the House

5

6

7 (revenue and taxation - gross production tax -

8

emergency)

9

10 AUTHOR: Add the following House Coauthor: Cooksey

11 AMENDMENT NO. 1. Strike the stricken title, enacting clause and
entire bill and insert

12

13 "An Act relating to revenue and taxation; amending 68
14 O.S. 2001, Section 2357.22, as amended by Section 1,
Chapter 186, O.S.L. 2003 (68 O.S. Supp. 2007,
15 Section 2357.22), which relates to credit for
certain clean-burning motor vehicle fuel property;
16 extending duration of credit; and providing an
effective date.

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

20 SECTION 1. AMENDATORY 68 O.S. 2001, Section 2357.22, as
21 amended by Section 1, Chapter 186, O.S.L. 2003 (68 O.S. Supp. 2007,
22 Section 2357.22), is amended to read as follows:

23 Section 2357.22 A. For tax years beginning before January 1,

24 ~~2009~~ 2010, there shall be allowed a one-time credit against the

1 income tax imposed by Section 2355 of this title for investments in
2 qualified clean-burning motor vehicle fuel property placed in
3 service after December 31, 1990, and for investments in qualified
4 electric motor vehicle property placed in service after December 31,
5 1995.

6 B. As used in this section, "qualified clean-burning motor
7 vehicle fuel property" means:

8 1. Equipment installed to modify a motor vehicle which is
9 propelled by gasoline or diesel fuel so that the vehicle may be
10 propelled by methanol, "M-85" which is a mixture of methanol and
11 gasoline containing at least eighty-five percent (85%) methanol,
12 compressed natural gas, liquefied natural gas or liquefied petroleum
13 gas or a combination of at least fifty percent (50%) natural gas;

14 2. A motor vehicle originally equipped so that the vehicle may
15 be propelled by compressed natural gas, liquefied natural gas or
16 liquefied petroleum gas, or propelled by methanol or "M-85" but only
17 to the extent of the portion of the basis of such motor vehicle
18 which is attributable to the storage of such fuel, the delivery to
19 the engine of such motor vehicle of such fuel, and the exhaust of
20 gases from combustion of such fuel; or

21 3. Property which is directly related to the delivery of
22 methanol, "M-85", compressed natural gas, liquefied natural gas or
23 liquefied petroleum gas into the fuel tank of a motor vehicle
24 propelled by such fuel including compression equipment and storage

1 tanks for such fuel at the point where such fuel is so delivered but
2 only if such property is not used to deliver such fuel into any
3 other type of storage tank or receptacle and such fuel is not used
4 for any purpose other than to propel a motor vehicle. However,
5 property which is directly related to the delivery of methanol or
6 "M-85" into the fuel tank of a motor vehicle propelled by such fuel
7 as provided in this paragraph shall be used solely for the purpose
8 of delivering methanol or "M-85" and no other purpose in order to
9 claim the tax credit pursuant to this section. If the property is
10 used for any other purpose than the delivery of methanol or "M-85",
11 the tax credit shall immediately be refunded to the Oklahoma Tax
12 Commission. The Corporation Commission shall inspect the property
13 to determine whether the property is being used for the delivery of
14 methanol or "M-85".

15 C. As used in this section, "qualified electric motor vehicle
16 property" means a motor vehicle originally equipped to be propelled
17 only by electricity to the extent of the full purchase price of the
18 vehicle; provided, if a motor vehicle is also equipped with an
19 internal combustion engine, then such vehicle shall be considered
20 "qualified electric motor vehicle property" only to the extent of
21 the portion of the basis of such motor vehicle which is attributable
22 to the propulsion of the vehicle by electricity. The term
23 "qualified electric motor vehicle property" shall not apply to
24 vehicles known as "golf carts," "go-carts" and other motor vehicles

1 which are manufactured principally for use off the streets and
2 highways.

3 D. The credit provided for in subsection A of this section
4 shall be fifty percent (50%) of the cost of the qualified clean-
5 burning motor vehicle fuel property or qualified electric motor
6 vehicle property.

7 E. In cases where no credit has been claimed pursuant to
8 subsection D of this section and in which a motor vehicle is
9 purchased by a taxpayer with qualified clean-burning motor vehicle
10 fuel property or qualified electric motor vehicle property installed
11 by the manufacturer of such motor vehicle and the taxpayer is unable
12 or elects not to determine the exact basis which is attributable to
13 such property, the taxpayer may claim a credit in an amount not
14 exceeding the lesser of ten percent (10%) of the cost of the motor
15 vehicle or One Thousand Five Hundred Dollars (\$1,500.00).

16 F. If the tax credit allowed pursuant to subsection A of this
17 section exceeds the amount of income taxes due or if there are no
18 state income taxes due on the income of the taxpayer, the amount of
19 the credit not used as an offset against the income taxes of a
20 taxable year may be carried forward as a credit against subsequent
21 income tax liability for a period not to exceed three (3) years.

22 G. A husband and wife who file separate returns for a taxable
23 year in which they could have filed a joint return may each claim
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