

**COMMITTEE AMENDMENT**  
HOUSE OF REPRESENTATIVES  
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB3392 \_\_\_\_\_  
Of the printed Bill  
Page \_\_\_\_\_ Section \_\_\_\_\_ Lines \_\_\_\_\_  
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

**AMEND TITLE TO CONFORM TO AMENDMENTS**

Adopted: \_\_\_\_\_

Amendment submitted by: Lance Cargill \_\_\_\_\_

\_\_\_\_\_  
Reading Clerk

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 PROPOSED COMMITTEE SUBSTITUTE  
4 FOR

5 HOUSE BILL NO. 3392

6 By: Cargill, Cooksey and Jordan

7 PROPOSED COMMITTEE SUBSTITUTE

8 An Act relating to revenue and taxation; enacting the  
9 American Dream Act; defining terms; authorizing  
10 income tax deduction for certain amounts of qualified  
11 savings; prescribing condition with respect to  
12 ownership of certain qualified single-family  
13 residence; providing for recapture; prescribing  
14 maximum period of qualified savings; imposing  
15 limitation on savings account balance for purposes of  
16 income tax deduction; requiring documentation to  
17 Oklahoma Tax Commission; providing for use of  
18 deduction with respect to certain types of  
19 transactions involving first-time home ownership;  
20 providing for codification; providing for  
21 noncodification; and providing an effective date.

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

23 SECTION 1. NEW LAW A new section of law not to be  
24 codified in the Oklahoma Statutes reads as follows:

25 This act shall be known and may be cited as the "American Dream  
26 Act".

27 SECTION 2. NEW LAW A new section of law to be codified  
28 in the Oklahoma Statutes as Section 2358.8 of Title 68, unless there  
29 is created a duplication in numbering, reads as follows:

1       A. As used in this section:

2       1. "Closing costs" means expenditures for prepaid interest,  
3 whether denominated as such or as "points", surveying fees,  
4 inspection fees, fees for recordation of documents, credit history  
5 research, private mortgage insurance, real estate broker fees, or  
6 any other expense imposed upon the purchaser by the terms of the  
7 real estate purchase contract, the terms of the borrowing for the  
8 purchase money imposed by the lender of those funds, or otherwise  
9 required to be paid by the person or persons who acquire title to  
10 the qualified single-family residence;

11       2. "Down payment" means a cash amount, unencumbered in any way,  
12 required by the seller or by the lender providing purchase money to  
13 a buyer, in order to acquire a single-family residential dwelling;

14       3. "Qualified home purchase savings account" means a special  
15 savings account created by an eligible financial institution  
16 organized under the laws of the state or authorized to do business  
17 in the state and created for the purpose of accumulating funds for  
18 the down payment amount, eligible closing costs or both such payment  
19 and costs for which the deduction authorized by this section is or  
20 may be available;

21       4. "Qualified savings amount" means those deposits or  
22 accumulations of interest upon deposits made to a qualified home  
23 purchase savings account pursuant to the requirements of this  
24 section;

1       5. "Qualified single-family residence" means improvements to  
2 real property, regardless of whether title to such property has been  
3 previously held by any other purchaser of the residence prior to the  
4 date as of which title is acquired by an eligible taxpayer, used as  
5 the principal dwelling of the eligible taxpayer and which  
6 constitutes the first such residence to which the deduction claimant  
7 has ever acquired title, either alone or jointly with any other  
8 owner; and

9       6. "Single-family residential dwelling" means improvements to  
10 real property suitable for occupancy as the primary residence, but  
11 shall not include an apartment, duplex, town home or any other  
12 structure that is leased by an owner to a tenant.

13       B. For taxable years beginning after December 31, 2008, a  
14 resident individual may deduct from Oklahoma adjusted gross income  
15 an amount equal to the following qualified savings amounts:

16       1. Two Thousand Five Hundred Dollars (\$2,500.00) per year for a  
17 person whose filing status is single, married filing separate return  
18 or head of household; or

19       2. Five Thousand Dollars (\$5,000.00) for married persons filing  
20 a joint return.

21       C. If an individual claims the deduction authorized by this  
22 section, and within seventy-two (72) months of the first deposit of  
23 a qualified savings amount does not become the owner, either alone  
24 or in joint tenancy, of a qualified single-family residence which

1 ownership shall be documented by a valid conveyance consisting of a  
2 deed, warranty deed, special warranty deed, quitclaim deed, or any  
3 other conveyance by a grantor or a person acting with lawful  
4 authority with respect to the title to the real property described  
5 in the conveyance, the individual shall be required to add to their  
6 Oklahoma adjusted gross income the amount of any prior deduction  
7 claimed on an income tax return in an amount equal to each prior  
8 deduction for as many taxable years as a deduction was previously  
9 allowed. The amount added to Oklahoma adjusted gross income on the  
10 income tax return shall not be in excess of the deduction amount for  
11 any single prior tax year for which the deduction was previously  
12 allowed.

13 D. The maximum period of time that a taxpayer may accumulate  
14 funds in a qualified home purchase savings account shall be five (5)  
15 years ending on December 31 of the fifth calendar year following the  
16 date of the opening of the account, inclusive of the calendar year  
17 during which the account is first established.

18 E. The maximum qualified home purchase savings account balance  
19 for which any deduction authorized by this section may be claimed  
20 shall not exceed Twelve Thousand Five Hundred Dollars (\$12,500.00)  
21 for a person whose filing status is single, married filing separate  
22 return or head of household or Twenty-five Thousand Dollars  
23 (\$25,000.00) for married persons filing a joint return. Both of  
24 these amounts include any accumulated interest paid.

1 F. The taxpayer shall be required to provide adequate  
2 documentation to the Oklahoma Tax Commission that the qualified home  
3 purchase savings account balance, subject to the maximum prescribed  
4 by subsection E of this section, was used to make a required down  
5 payment or was used to pay for an eligible closing cost incurred by  
6 the taxpayer as a contractual or other requirement in connection  
7 with acquiring title to a qualified single-family residence.

8 G. The deduction authorized by this section shall be available  
9 to a taxpayer who has acquired title to a single-family residential  
10 dwelling located in this state for the first time, regardless of the  
11 terms of the financing to acquire the eligible home. The deduction  
12 authorized by this section shall be available even if the purchaser  
13 is borrowing one hundred percent (100%) of the purchase money for  
14 the single-family residential dwelling.

15 SECTION 3. This act shall become effective January 1, 2009.

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17 51-2-10467 MAH 03/03/08  
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