

1 STATE OF OKLAHOMA

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

3 SUBCOMMITTEE RECOMMENDATION
4 FOR

5 HOUSE BILL NO. 3114

6 By: Peterson (Ron)

7 SUBCOMMITTEE RECOMMENDATION

8 An Act relating to workforce incentives; enacting the
9 Oklahoma Workforce Incentives Act of 2008;
10 authorizing income tax credit for certain employees;
11 defining terms; specifying credit amount; imposing
12 limitation on credits per fiscal year; requiring
13 certification of eligibility by Oklahoma Department
14 of Commerce; requiring annual report; providing for
15 codification; providing for noncodification; and
16 providing an effective date.

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

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

20 This act shall be known and may be cited as the "Oklahoma
21 Workforce Incentives Act of 2008".

22 SECTION 2. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 2357.301 of Title 68, unless
24 there is created a duplication in numbering, reads as follows:

A. As used in this section:

1 1. "Eligible employers" means a business entity primarily
2 engaged in the sale of goods or services in one of the following
3 categories:

- 4 a. aerospace,
- 5 b. energy,
- 6 c. advanced manufacturing and processing,
- 7 d. biotechnology,
- 8 e. information technology, and
- 9 f. health care;

10 2. "Tier 1 qualified employees" means:

- 11 a. engineers employed by an eligible employer described
12 by subparagraph a, b or c of paragraph 1 of this
13 subsection and whose compensation is equal to or in
14 excess of the Tier 1 qualified compensation amount,
15 and
- 16 b. scientists employed by an eligible employer described
17 by subparagraph a, b, c, d, e or f of paragraph 1 of
18 this subsection and whose compensation is equal to or
19 in excess of the Tier 1 qualified compensation amount;

20 3. "Tier 1 qualified compensation amount" means Sixty Thousand
21 Dollars (\$60,000.00) annually including employer-provided health
22 care benefits;

23 4. "Tier 2 qualified employees" means:
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- 1 a. technologists employed by an eligible employer
2 described by subparagraph a, b, c, d, e or f of
3 paragraph 1 of this subsection and whose compensation
4 is equal to or in excess of the Tier 2 qualified
5 compensation amount,
- 6 b. nurses employed by an eligible employer described by
7 subparagraph f of paragraph 1 of this subsection and
8 whose compensation is equal to or in excess of the
9 Tier 2 qualified compensation amount,
- 10 c. professional service providers employed by an eligible
11 employer described by subparagraph b or c of paragraph
12 1 of this subsection and whose compensation is equal
13 to or in excess of the Tier 2 qualified compensation
14 amount, and
- 15 d. welders employed by an eligible employer described by
16 subparagraph a, b or c of paragraph 1 of this
17 subsection and whose compensation is equal to or in
18 excess of the Tier 2 qualified compensation amount;
19 and

20 5. "Tier 2 qualified compensation amount" means Forty Thousand
21 Dollars (\$40,000.00) annually including employer-provided health
22 care benefits.

23 B. For taxable years beginning after December 31, 2008, ending
24 not later than December 31, 2013, there shall be allowed a credit

1 against the tax imposed pursuant to Section 2355 of Title 68 of the
2 Oklahoma Statutes for:

3 1. A Tier 1 qualified employee in the amount of Six Thousand
4 Dollars (\$6,000.00) per taxable year regardless of filing status; or

5 2. A Tier 2 qualified employee in the amount of Three Thousand
6 Dollars (\$3,000.00) per taxable year regardless of filing status.

7 C. The total amount of all credits that may be claimed pursuant
8 to this section shall not exceed Three Million Three Hundred
9 Thousand Dollars (\$3,300,000.00) per fiscal year.

10 D. The Oklahoma Department of Commerce shall identify and
11 certify all persons who are eligible to claim the tax credit
12 authorized by this section to the Oklahoma Tax Commission on an
13 annual basis and upon request for current information as may be
14 requested by the Tax Commission.

15 E. The Oklahoma Department of Commerce shall conduct a study to
16 determine the economic benefit resulting from the allowance of the
17 tax credit authorized by this section. The results of the study
18 shall be prepared in the form of an annual report which shall be
19 submitted to the Governor, the Speaker of the Oklahoma House of
20 Representatives and the President Pro Tempore of the Oklahoma State
21 Senate not later than January 31 each year summarizing the economic
22 impact of the tax credit program during the preceding calendar year.

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

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