

1 ENGROSSED SENATE  
2 BILL NO. 2043

By: Nichols of the Senate  
and  
Nations of the House

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5  
6 [ revenue and taxation - providing income tax credit  
7 - setting amount and limitations on credit -  
8 codification -  
9 effective date ]

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

12 SECTION 1. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 2357.105 of Title 68, unless  
14 there is created a duplication in numbering, reads as follows:

15 A. For tax years beginning on or after January 1, 2009, and  
16 ending before January 1, 2014, there shall be allowed a credit  
17 against the tax imposed by Section 2355 of Title 68 of the Oklahoma  
18 Statutes for investment in an alternative motor vehicle if:

- 19 1. The original use of the vehicle began with the taxpayer;
- 20 2. The vehicle is a model year 2008 or later or was placed into  
21 service after December 31, 2007;
- 22 3. The vehicle was acquired for personal use or to lease to  
23 others and not for resale; and
- 24 4. The vehicle is used primarily in the United States.

1 B. As used in this section, "alternative motor vehicle" means a  
2 new vehicle that:

3 1. Qualifies or originally qualified for a federal tax credit  
4 as an advanced lean burn technology vehicle, qualified hybrid  
5 vehicle, qualified alternative fuel vehicle or qualified fuel cell  
6 vehicle as provided in 26 U.S.C., Section 30B; and

7 2. Has been certified by the California Air Resources Board or  
8 its successor agency as having one of the following vehicle emission  
9 ratings:

- 10 a. Ultra Low Emission Vehicle (ULEV),
- 11 b. Super Ultra Low Emission Vehicle (SULEV),
- 12 c. Partial Zero Emission Vehicle (PZEV),
- 13 d. Advanced Technology Partial Zero Emission Vehicle (AT  
14 PZEV), and
- 15 e. Zero Emission Vehicle (ZEV).

16 C. Any vehicle which meets the requirements of subsections A  
17 and B of this section shall qualify for the credit provided in this  
18 section regardless of whether or not the federal credit is claimed  
19 by the taxpayer or the federal credit for a specific vehicle has  
20 become subject to phaseout due to the volume of vehicle sales.

21 D. The credit provided for in subsection A of this section may  
22 only be claimed one time for any alternative motor vehicle.

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1 E. The credit provided for in subsection A of this section  
2 shall be based upon the vehicle's California Air Resources Board  
3 vehicle emission rating as follows:

4 1. Two Thousand Dollars (\$2,000.00) for any qualified vehicle  
5 certified as a Partial Zero Emission Vehicle (PZEV); Advanced  
6 Technology Partial Zero Emission Vehicle (AT PZEV); or Zero Emission  
7 Vehicle (ZEV);

8 2. One Thousand Dollars (\$1,000.00) for any qualified vehicle  
9 certified as a Super Ultra Low Emission Vehicle (SULEV); and

10 3. Five Hundred Dollars (\$500.00) for any qualified vehicle  
11 certified as a Ultra Low Emission Vehicle (ULEV).

12 F. If the credit allowed pursuant to this section exceeds the  
13 amount of income taxes due or if there are no state income taxes due  
14 on the income of the taxpayer, the amount of credit allowed but not  
15 used in any taxable year may be carried forward as a credit against  
16 subsequent income tax liability for a period not exceeding four (4)  
17 years following the qualified investment.

18 G. The Oklahoma Tax Commission shall promulgate rules and  
19 establish such procedures as may be necessary to implement this act.

20 SECTION 2. REPEALER 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 hereby repealed.

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

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1 Passed the Senate the 11th day of March, 2008.

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3 \_\_\_\_\_  
4 Presiding Officer of the Senate

5 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
6 2008.

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9 Presiding Officer of the House  
10 of Representatives