

ESB 1171

THE HOUSE OF REPRESENTATIVES  
Tuesday, April 15, 2008

ENGROSSED

Senate Bill No. 1171

As Amended

ENGROSSED SENATE BILL NO. 1171 - By: MAZZEI AND ADELSON of the Senate  
and JACKSON AND DORMAN of the House.

[ revenue and taxation - income tax credit - aerospace sector - codification -  
effective date ]

1 SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma  
2 Statutes as Section 2357.301 of Title 68, unless there is created a duplication in  
3 numbering, reads as follows:  
4 A. As used in this section:  
5 1. "Aerospace sector" means a private or public organization engaged in the  
6 manufacture of aerospace or defense hardware or software, aerospace maintenance,  
7 aerospace repair and overhaul, supply of parts to the aerospace industry, provision of  
8 services and support relating to the aerospace industry, research and development of  
9 aerospace technology and systems, and the education and training of aerospace  
10 personnel;

1           2. “Institution” means an institution within The Oklahoma State System of Higher  
2 Education or any other public or private accredited college or university that is  
3 accredited by a national accrediting body;

4           3. “Qualified employer” means a sole proprietor, general partnership, limited  
5 partnership, limited liability company, corporation or other legally recognized business  
6 entity whose principal business activity involves the aerospace sector;

7           4. “Qualified person” means any person having been awarded a baccalaureate or  
8 graduate degree from a qualified program by a public or private institution of higher  
9 education after the effective date of this act; and

10          5. “Qualified program” means a program that produces graduates from a  
11 baccalaureate degree program in engineering accredited by the Engineering  
12 Accreditation Commission of the Accreditation Board for Engineering and Technology  
13 and others as may be deemed appropriate by the Oklahoma Aeronautics Commission,  
14 provided that such other programs are accredited as set forth herein;

15          B. For taxable years beginning after December 31, 2008, and ending before  
16 January 1, 2014, there shall be allowed a credit against the tax imposed pursuant to  
17 Section 2355 of Title 68 of the Oklahoma Statutes for a qualified person employed by a  
18 qualified employer in an amount not to exceed Five Thousand Dollars (\$5,000.00) per  
19 year for the first through fifth years of such employment.

20          C. The credits authorized by this section shall not be used to reduce the tax liability  
21 of the taxpayer to less than zero (0).

1 D. Any credit authorized by this section which is not used may be carried over, in  
2 order, to each of the five (5) subsequent taxable years.

3 E. Credits which may be claimed pursuant to this section may only be claimed for  
4 five (5) years of employment of a qualified person, regardless of whether or not such  
5 years are consecutive or are with the same qualified employer.

6 F. The credits authorized by this section do not require a qualified person to be  
7 employed by a qualified employer for an entire calendar year in order for a credit to be  
8 claimed; however, credit may only be claimed pursuant to this section once during any  
9 taxable year with respect to a particular qualified person.

10 SECTION 2. This act shall become effective January 1, 2009.

11 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,  
12 dated 04-14-08 - DO PASS, As Amended and Coauthored.