

BILL SUMMARY

- MEASURE:** SB 1819 (Committee Substitute)
- AUTHOR:** Speaker Benge and Co-President Pro Tempore Coffee and President Pro Tempore Morgan
- SUBJECT:** An act relating to revenue and taxation; relates to the Oklahoma Quality Jobs Program Act; modifying definitions; authorizing incentive payment; modifying provisions related to net benefit rate and duration of incentive payments. Emergency.
- PROVISIONS:**
- Section 1. AMENDATORY A. Updating definitions as used in the Oklahoma Quality Jobs Program Act:
1. a. Basic industry:
- (8) Clarifying statutory reference to act.
- (12) adding to the definition of basic industry to include sports teams and clubs. [According to U.S. Census Bureau 2007 NAICS Industry No. 711211 definition comprises professional or semiprofessional sports teams or clubs primarily engaged in live sporting events, such as baseball, basketball, boxing, football, hockey, soccer, and jai alai games, before a paying audience.]
7. Net benefit rate means the estimated net direct state benefits figured as a percentage of gross payroll, provided:
- f. adding to the provisions of the net benefit rate with respect to an establishment classified under Industry No. 711211, that the net benefit rate shall not exceed the highest rate of income tax imposed (currently in statute as 5.5% for the 2008 tax year and 5.25% for the 2009 and subsequent tax years). Any change in highest rate of individual income tax shall apply to the computation of incentive payments to a sports team or club and will be effective for incentive payments, based on payroll for new direct jobs of at least \$2.5 million within 3 years of start date, on or after January 1 of any applicable year for which the net benefit rate is modified.
8. Adding to definition of gross payroll (gross payroll means wages) for new direct jobs with respect to sports teams and clubs that the term “gross payroll” shall include the entire amount of wages paid by the sports team to its employees in new direct jobs regardless of whether Oklahoma income tax is or will be due on the wages.
- Section 2. AMENDATORY A. Extending quarterly incentive payments under the Oklahoma Quality Jobs Program Act for sports teams and clubs for a 15-year period.
- F. Clarifying effective date of act in statutes.

I. Updating language to reflect amendatory language in subsection A.

Section 3. AMENDATORY B. Updating language to reflect extended incentive period for sports teams or clubs.

EFFECTIVE

DATE: Emergency clause

PREPARED BY: Arnella Karges

DATE: April 11, 2008