

BILL SUMMARY

MEASURE: SB 1819 (Full Proposed Committee Substitute 1)

AUTHOR: Representative Bengé and Senators Coffee and Morgan

SUBJECT: An act relating to revenue and taxation; allowing incentive payment per Oklahoma Quality Jobs Program Act; declaring an emergency.

PROVISIONS: Section 1. AMENDATORY A. Updating definitions as used in the Oklahoma Quality Jobs Program Act:
1. a. (8) Clarifying statutory reference.
(12) adding to 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, football, hockey, soccer, and jai alai games, before a paying audience.]
7. f. adding to 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 5.25% on the remainder 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 shall be effective for incentive payments based on payroll paid by a sports team on or after January 1 of any applicable year for which the net benefit rate is modified.
8. Adding to definition of gross payroll 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.
I. Updating language to reflect amendatory language in subsection A.

Section 3. AMENDATORY B. Updating language to reflect extended incentive period.

EFFECTIVE DATE:

Emergency clause

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