

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 1919

By: Nichols of the Senate

3 and

4 Terrill and Nations of
5 the House

6
7
8 (revenue and taxation - income tax credit -
9 effective date)

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12 AUTHOR: Add the following House Coauthor: Tibbs

13 AMENDMENT NO. 1. Strike the stricken title, enacting clause and
14 entire bill and insert

15 "An Act relating to revenue and taxation; amending
16 Section 19, Chapter 472, O.S.L. 2003, as amended by
17 Section 3, Chapter 518, O.S.L. 2004 (68 O.S. Supp.
18 2009, Section 2357.45), which relates to income tax
19 credits for certain donations; providing for income
20 tax credits based on donations to cancer research
21 institute; modifying formula for computation of
22 certain percentage; imposing restrictions on
23 donations for purposes of credit computations;
24 imposing maximum amount of credits available for
certain donations; defining terms; and providing an
effective date.

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

1 SECTION 1. AMENDATORY Section 19, Chapter 472, O.S.L.
2 2003, as amended by Section 3, Chapter 518, O.S.L. 2004 (68 O.S.
3 Supp. 2009, Section 2357.45), is amended to read as follows:

4 Section 2357.45 A. 1. For tax years beginning after December
5 31, 2004, there shall be allowed against the tax imposed by Section
6 2355 of this title, a credit for any taxpayer who makes a donation
7 to an independent biomedical research institute and for tax years
8 beginning after December 31, 2010, a credit for any taxpayer who
9 makes a donation to a cancer research institute. ~~For calendar years~~
10 ~~2005 and 2006, the amount of the credit shall be fifty percent (50%)~~
11 ~~of the amount donated to an independent biomedical research~~
12 ~~institute but in no event shall the credit exceed One Thousand~~
13 ~~Dollars (\$1,000.00) for each taxpayer. For~~

14 2. The credit authorized by paragraph 1 of this subsection
15 shall be limited as follows:

16 a. for calendar year 2007 and all subsequent years, the
17 credit percentage, not to exceed fifty percent (50%),
18 shall be adjusted annually so that the total estimate
19 of the credits does not exceed Two Million Dollars
20 (\$2,000,000.00) annually. The formula to be used for
21 the percentage adjusted shall be fifty percent (50%)
22 times ~~Two Million Dollars (\$2,000,000.00)~~ One Million
23 Dollars (\$1,000,000.00) divided by the credits claimed
24 in the preceding year. ~~In~~ for each donation to an

1 independent biomedical research institute and fifty
2 percent (50%) times One Million Dollars
3 (\$1,000,000.00) divided by the credits claimed in the
4 preceding year for each donation to a cancer research
5 institute,

6 b. in no event shall the credit be claimed more than once
7 by a taxpayer claim more than one credit for a
8 donation to any independent biomedical research
9 institute and one credit for a donation to a cancer
10 research institute in each taxable year nor shall the
11 credit exceed One Thousand Dollars (\$1,000.00) for
12 each taxpayer.—In for each type of donation,

13 c. for tax year 2011, no more than Fifty Thousand Dollars
14 (\$50,000.00) in total tax credits for donations to a
15 cancer research institute shall be allowed,

16 d. in no event shall more than fifty percent (50%) of the
17 Two Million Dollars (\$2,000,000.00) in total tax
18 credits authorized by this section, for any calendar
19 year after the effective date of this act, be
20 allocated for credits for donations to a cancer
21 research institute, and

22 e. in the event the total tax credits authorized by this
23 section exceed ~~Two Million Dollars (\$2,000,000.00)~~ One
24 Million Dollars (\$1,000,000.00) in any calendar year

1 for either a cancer research institute or an
2 independent biomedical research institute, the
3 Oklahoma Tax Commission shall permit any excess over
4 ~~Two Million Dollars (\$2,000,000.00)~~ One Million
5 Dollars (\$1,000,000.00) but shall factor such excess
6 into the percentage adjustment formula for subsequent
7 years for that type of donation. However, any such
8 adjustment to the formula for donations to an
9 independent biomedical research institute shall not
10 affect the formula for donations to a cancer research
11 institute, and any such adjustment to the formula for
12 donations to a cancer research institute shall not
13 affect the formula for donations to an independent
14 biomedical research institute.

15 ~~2.~~ 3. For purposes of this section, "independent biomedical
16 research institute" means an organization which is exempt from
17 taxation pursuant to the provisions of Section 501(c)(3) of the
18 Internal Revenue Code, 26 U.S.C., Section 501(c)(3) whose primary
19 focus is conducting peer-reviewed basic biomedical research. The
20 organization shall:

- 21 a. have a board of directors,
- 22 b. be able to accept grants in its own name,
- 23 c. be an identifiable institute that has its own
24 employees and administrative staff, and

1 d. receive at least Fifteen Million Dollars
2 (\$15,000,000.00) in National Institute of Health
3 funding each year.

4 4. For purposes of this section, "cancer research institute"

5 means an organization which is exempt from taxation pursuant to the
6 Internal Revenue Code and whose primary focus is raising the
7 standard of cancer clinical care in Oklahoma through peer-reviewed
8 cancer research and education or a not-for-profit supporting
9 organization, as that term is defined by the Internal Revenue Code,
10 affiliated with a tax-exempt organization whose primary focus is
11 raising the standard of cancer clinical care in Oklahoma through
12 peer-reviewed cancer research and education. The tax-exempt
13 organization whose primary focus is raising the standard of cancer
14 clinical care in Oklahoma through peer-reviewed cancer research and
15 education shall:

- 16 a. either be an independent research institute or a
17 program that is part of a state university which is a
18 member of The Oklahoma State System of Higher
19 Education, and
20 b. receive at least Four Million Dollars (\$4,000,000.00)
21 in National Cancer Institute funding each year.

22 B. In no event shall the amount of the credit exceed the amount
23 of any tax liability of the taxpayer.

1 C. Any credits allowed but not used in any tax year may be
2 carried over, in order, to each of the four (4) years following the
3 year of qualification.

4 D. The Tax Commission shall have the authority to prescribe
5 forms for purposes of claiming the credit authorized by this
6 section.

7 SECTION 2. This act shall become effective January 1, 2011."
8 Passed the House of Representatives the 20th day of April, 2010.

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Presiding Officer of the House of
Representatives

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Passed the Senate the ____ day of _____, 2010.

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Presiding Officer of the Senate

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