

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 SENATE BILL NO. 1046

6 By: Gumm

7 COMMITTEE SUBSTITUTE

8 [ revenue and taxation and housing - income tax  
9 credit - effective date ]  
10

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 taxable years beginning after December 31, 2009 and  
16 before January 1, 2015, there shall be allowed a credit against the  
17 tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes to  
18 a qualified employer for assistance to a qualified employee through  
19 investments of Ten Thousand Dollars (\$10,000.00) or more to the  
20 Oklahoma REACH program. The credit shall be equal to fifty percent  
21 (50%) of the investment by a qualified employer.

22 B. As used in this section:

23 1. "Investment" means money, securities or real or personal  
24 property or any combination thereof; provided, a value shall be

1 determined by the Oklahoma Tax Commission, pursuant to such rules as  
2 may be established by the Tax Commission, for investments other than  
3 money;

4 2. "Qualified employee" means any person employed by a  
5 qualified employer on or after January 1, 2010 whose annual  
6 compensation, excluding benefits, is equal to or less than one  
7 hundred twenty percent (120%) of the annual average state wage based  
8 on data from the Bureau of Economic Analysis of the U.S. Department  
9 of Commerce;

10 3. "Qualified employer" means a sole proprietor, general  
11 partnership, limited partnership, limited liability company,  
12 corporation, other legally recognized business entity, or public  
13 entity; and

14 4. "Oklahoma REACH program" means the REACH Rural Employer  
15 Assisted Community Housing Program created pursuant to Section 2 of  
16 this act.

17 C. The Tax Commission shall promulgate such rules as may be  
18 necessary to implement this act.

19 SECTION 2. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 5105 of Title 74, unless there  
21 is created a duplication in numbering, reads as follows:

22 A. There is hereby created the REACH Rural Employer-Assisted  
23 Community Housing Program.

24

1 B. The purpose of the Oklahoma REACH program is to provide down  
2 payment assistance, reduced interest mortgages and individual  
3 development accounts to employees seeking to find and finance homes  
4 near their workplace.

5 C. The Oklahoma REACH program shall be located in the Oklahoma  
6 Department of Agriculture, Food, and Forestry and administered  
7 through Rural Enterprises of Oklahoma, Inc.

8 D. The Oklahoma REACH program shall accept applications from  
9 any qualified employee of a qualified employer, as defined in  
10 Section 1 of this act, for financial assistance related to the  
11 purchase of residential property which the employee will occupy.

12 E. There is hereby created in the State Treasury a revolving  
13 fund for the Oklahoma Department of Agriculture, Food, and Forestry  
14 to be designated the "REACH Rural Employer-Assisted Community  
15 Housing Revolving Fund". The fund shall be a continuing fund, not  
16 subject to fiscal year limitations, and shall consist of all  
17 legislative appropriations and all investments made to the fund for  
18 purposes of the tax credit provided in Section 1 of this act. All  
19 monies accruing to the credit of the fund are hereby appropriated  
20 and may be budgeted and expended by the Oklahoma Department of  
21 Agriculture, Food, and Forestry for employer-assisted housing  
22 programs administered by Rural Enterprises of Oklahoma, Inc.  
23 Expenditures from the fund shall be made upon warrants issued by the  
24

1 State Treasurer against claims filed as prescribed by law with the  
2 Director of State Finance for approval and payment.

3 F. Any funds made available to the Oklahoma REACH program  
4 through investments made for the purpose of the tax credit provided  
5 in Section 1 of this act may be matched through legislative  
6 appropriations made available to the program.

7 SECTION 3. This act shall become effective January 1, 2010.

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