

1 STATE OF OKLAHOMA

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

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 1909

By: Thomsen

6
7 COMMITTEE SUBSTITUTE

8 (Revenue and taxation - tax credit - fees -

9 educational loans - codification -

10 effective date)

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

15 SECTION 1. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 2357.401 of Title 68, unless
17 there is created a duplication in numbering, reads as follows:

18 A. There shall be allowed a credit against the tax imposed by
19 Section 2370 of Title 68 of the Oklahoma Statutes for any state
20 banking association, national banking association, or credit union
21 domiciled in this state for the amount of the lender fee paid by the
22 banking association or credit union to the United States Department
23 of Education pursuant to the "Stafford" loan guaranty program for
24 loans to Oklahoma residents who are attending postsecondary

1 educational institutions located in Oklahoma, and eligible to
2 participate in the Department of Education's Federal Family
3 Education Loan Program (FFELP). Only loans guaranteed through the
4 Oklahoma Guaranteed Student Loan Program (OGSLP) will be eligible.

5 B. The credit authorized by this section may be claimed for
6 lender fees paid on or after January 1, 2009, but not later than
7 December 31, 2010.

8 C. No credit may be claimed pursuant to this section if,
9 pursuant to the agreement between the banking association or credit
10 union and the student to which proceeds are made available, the
11 banking association or credit union adds the amount of the United
12 States Department of Education lender fee to the amount financed by
13 the borrower or in any other way recovers the lender fee amount from
14 the borrower.

15 D. The credit authorized by this section may not be used to
16 reduce the tax liability of the credit claimant to less than zero
17 (0).

18 E. The credit authorized by this section may be claimed, and if
19 not fully used in the initial year the credit is claimed, may be
20 carried over, in order, to each of the five (5) succeeding taxable
21 years.

22 F. The Oklahoma Tax Commission shall prepare a report regarding
23 the amount of the tax credits claimed as authorized by this section.
24 The report shall be submitted to the Speaker of the Oklahoma House

1 of Representatives and to the President Pro Tempore of the State
2 Senate not later than March 31 of each year.

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

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