

THE HOUSE OF REPRESENTATIVES
Monday, March 2, 2009

Committee Substitute for
House Bill No. 1909

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1909 - By: THOMSEN,
SHANNON AND BRANNON of the House.

(Revenue and taxation - tax credit - fees - educational loans – codification -
effective date)

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

1 SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma
2 Statutes as Section 2357.401 of Title 68, unless there is created a duplication in
3 numbering, reads as follows:
4 A. There shall be allowed a credit against the tax imposed by Section 2370 of Title
5 68 of the Oklahoma Statutes for any state banking association, national banking
6 association, or credit union domiciled in this state for the amount of the lender fee paid
7 by the banking association or credit union to the United States Department of Education
8 pursuant to the “Stafford” loan guaranty program for loans to Oklahoma residents who
9 are attending postsecondary educational institutions located in Oklahoma, and eligible to
10 participate in the Department of Education’s Federal Family Education Loan Program
11 (FFELP). Only loans guaranteed through the Oklahoma Guaranteed Student Loan
12 Program (OGSLP) will be eligible.

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

3 C. No credit may be claimed pursuant to this section if, pursuant to the agreement
4 between the banking association or credit union and the student to which proceeds are
5 made available, the banking association or credit union adds the amount of the United
6 States Department of Education lender fee to the amount financed by the borrower or in
7 any other way recovers the lender fee amount from the borrower.

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

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

13 F. The Oklahoma Tax Commission shall prepare a report regarding the amount of
14 the tax credits claimed as authorized by this section. The report shall be submitted to
15 the Speaker of the Oklahoma House of Representatives and to the President Pro
16 Tempore of the State Senate not later than March 31 of each year.

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

18 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,
19 dated 02-26-09 - DO PASS, As Amended and Coauthored.