

THE STATE SENATE  
Wednesday, March 31, 2010

ENGROSSED

House Bill No. 3024

As Amended

ENGROSSED HOUSE BILL NO. 3024 - By: Hickman of the House and Mazzei and Stanislowski of the Senate.

[ revenue and taxation - income tax - emergency ]

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

SECTION 1. AMENDATORY 68 O.S. 2001, Section 2357.22, as last amended by Section 1, Chapter 308, O.S.L. 2009 (68 O.S. Supp. 2009, Section 2357.22), is amended to read as follows:

Section 2357.22 A. For tax years beginning before January 1, 2015, there shall be allowed a one-time credit against the income tax imposed by Section 2355 of this title ~~for~~:

1. For investments in qualified clean-burning motor vehicle fuel property placed in service after December 31, 1990~~7~~i and ~~for~~

2. For investments in qualified electric motor vehicle property placed in service after December 31, 1995 and ending upon the effective date of this act.

B. As used in this section, "qualified clean-burning motor vehicle fuel property" means:

1           1. Equipment installed to modify a motor vehicle which is  
2 propelled by gasoline or diesel fuel so that the vehicle may be  
3 propelled by a hydrogen fuel cell, compressed natural gas, liquefied  
4 natural gas or liquefied petroleum gas. The equipment covered by  
5 this paragraph must be new and must not have been previously used to  
6 modify or retrofit any vehicle propelled by gasoline or diesel fuel;

7           2. A motor vehicle originally equipped so that the vehicle may  
8 be propelled by a hydrogen fuel cell, compressed natural gas,  
9 liquefied natural gas or liquefied petroleum gas but only to the  
10 extent of the portion of the basis of such motor vehicle which is  
11 attributable to the storage of such fuel, the delivery to the engine  
12 of such motor vehicle of such fuel, and the exhaust of gases from  
13 combustion of such fuel;

14           3. Property, not including a building and its structural  
15 components, which is:

16           a. directly related to the delivery of compressed natural  
17 gas, liquefied natural gas or liquefied petroleum gas,  
18 or hydrogen, for commercial purposes or for a fee or  
19 charge, into the fuel tank of a motor vehicle  
20 propelled by such fuel including compression equipment  
21 and storage tanks for such fuel at the point where  
22 such fuel is so delivered but only if such property is  
23 not used to deliver such fuel into any other type of

1 storage tank or receptacle and such fuel is not used  
2 for any purpose other than to propel a motor vehicle,  
3 or

4 b. a metered-for-fee, public access recharging system for  
5 motor vehicles propelled in whole or in part by  
6 electricity. The property covered by this paragraph  
7 must be new, and must not have been previously  
8 installed or used to refuel vehicles powered by  
9 compressed natural gas, liquefied natural gas or  
10 liquefied petroleum gas, hydrogen or electricity; or

11 4. Property which is directly related to the compression and  
12 delivery of natural gas from a private home or residence, for  
13 noncommercial purposes, into the fuel tank of a motor vehicle  
14 propelled by compressed natural gas. The property covered by this  
15 paragraph must be new and must not have been previously installed or  
16 used to refuel vehicles powered by natural gas.

17 C. As used in this section, "qualified electric motor vehicle  
18 property" means a motor vehicle originally equipped to be propelled  
19 only by electricity; provided, if a motor vehicle is also equipped  
20 with an internal combustion engine, then such vehicle shall be  
21 considered "qualified electric motor vehicle property" only to the  
22 extent of the portion of the basis of such motor vehicle which is  
23 attributable to the propulsion of the vehicle by electricity. The

1 term "qualified electric motor vehicle property" shall not apply to  
2 vehicles known as "golf carts", "go-carts" and other motor vehicles  
3 which are manufactured principally for use off the streets and  
4 highways.

5 D. As used in this section, "motor vehicle" means a motor  
6 vehicle originally designed by the manufacturer to operate lawfully  
7 and principally on streets and highways.

8 E. The credit provided for in subsection A of this section  
9 shall be as follows:

10 1. For the qualified clean-burning motor vehicle fuel property  
11 defined in paragraph 1 or 2 of subsection B of this section and for  
12 the qualified electric motor vehicle property, fifty percent (50%)  
13 of the cost of the qualified clean-burning motor vehicle fuel  
14 property or qualified electric motor vehicle property;

15 2. For qualified clean-burning motor vehicle fuel property  
16 defined in paragraph 3 of subsection B of this section, a per-  
17 location credit of seventy-five percent (75%) of the cost of the  
18 qualified clean-burning motor vehicle fuel property; and

19 3. For qualified clean-burning motor vehicle fuel property  
20 defined in paragraph 4 of subsection B of this section, a per-  
21 location credit of the lesser of fifty percent (50%) of the cost of  
22 the qualified clean-burning motor vehicle fuel property or Two  
23 Thousand Five Hundred Dollars (\$2,500.00).

1 F. In cases where no credit has been claimed pursuant to  
2 paragraph 1 of subsection E of this section by any prior owner and  
3 in which a motor vehicle is purchased by a taxpayer with qualified  
4 clean-burning motor vehicle fuel property or qualified electric  
5 motor vehicle property installed by the manufacturer of such motor  
6 vehicle and the taxpayer is unable or elects not to determine the  
7 exact basis which is attributable to such property, the taxpayer may  
8 claim a credit in an amount not exceeding the lesser of ten percent  
9 (10%) of the cost of the motor vehicle or One Thousand Five Hundred  
10 Dollars (\$1,500.00).

11 G. If the tax credit allowed pursuant to subsection A of this  
12 section exceeds the amount of income taxes due or if there are no  
13 state income taxes due on the income of the taxpayer, the amount of  
14 the credit not used as an offset against the income taxes of a  
15 taxable year may be carried forward as a credit against subsequent  
16 income tax liability for a period not to exceed five (5) years.

17 H. A husband and wife who file separate returns for a taxable  
18 year in which they could have filed a joint return may each claim  
19 only one-half (1/2) of the tax credit that would have been allowed  
20 for a joint return.

21 I. The Oklahoma Tax Commission is herein empowered to  
22 promulgate rules by which the purpose of this section shall be

1 administered, including the power to establish and enforce penalties  
2 for violations thereof.

3 SECTION 2. It being immediately necessary for the preservation  
4 of the public peace, health and safety, an emergency is hereby  
5 declared to exist, by reason whereof this act shall take effect and  
6 be in full force from and after its passage and approval.

7 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 3-30-10 - DO PASS,  
8 As Amended and Coauthored.