

1 STATE OF OKLAHOMA

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

3 SENATE BILL 12

By: Anderson

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5
6 AS INTRODUCED

7 An Act relating to revenue and taxation; creating
8 income tax credit for investments in qualified clean-
9 burning motor vehicle fuel property and qualified
10 alternative motor vehicle property; defining terms;
11 setting amount of credits; providing for carryforward
12 of unused credit; limiting claim under certain
13 circumstances; repealing 68 O.S. 2001, Section
14 2357.22, as last amended by Section 1, Chapter 126,
15 O.S.L. 2008 (68 O.S. Supp. 2008, Section 2357.22),
16 which relates to income tax credits for certain
17 investments; providing for codification; and
18 providing an effective date.

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

20 SECTION 1. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 2357.105 of Title 68, unless
22 there is created a duplication in numbering, reads as follows:

23 A. For tax years beginning on or after January 1, 2010 and
24 ending before January 1, 2015, there shall be allowed a one-time
25 credit against the income tax imposed by Section 2355 of this title
26 for investments in qualified clean-burning motor vehicle fuel
27 property placed in service after the effective date of this act and
28 for investments in qualified alternative motor vehicle property.

1 B. As used in this section:

2 1. "Qualified clean-burning motor vehicle fuel property" means:

3 a. equipment installed to modify a motor vehicle which is
4 propelled by gasoline or diesel fuel so that the
5 vehicle may be propelled by methanol, "M-85",
6 compressed natural gas, liquefied natural gas or
7 liquefied petroleum gas or a combination of at least
8 fifty percent (50%) natural gas, and

9 b. property which is directly related to the delivery of
10 methanol, "M-85", compressed natural gas, liquefied
11 natural gas or liquefied petroleum gas into the fuel
12 tank of a motor vehicle propelled by such fuel
13 including compression equipment and storage tanks for
14 such fuel at the point where such fuel is so delivered
15 but only if such property is not used to deliver such
16 fuel into any other type of storage tank or receptacle
17 and such fuel is not used for any purpose other than
18 to propel a motor vehicle. However, property which is
19 directly related to the delivery of methanol or "M-85"
20 into the fuel tank of a motor vehicle propelled by
21 such fuel as provided in this paragraph shall be used
22 solely for the purpose of delivering methanol or "M-
23 85" and no other purpose in order to claim the tax
24 credit pursuant to this section. If the property is

1 used for any other purpose than the delivery of
2 methanol or "M-85", the tax credit shall immediately
3 be refunded to the Oklahoma Tax Commission. The
4 Corporation Commission shall inspect the property to
5 determine whether the property is being used for the
6 delivery of methanol or "M-85"; and

7 2. "Qualified alternative motor vehicle property" means a new
8 motor vehicle that qualifies for a federal tax credit as provided in
9 26 U.S.C., Section 30B.

10 C. The credit provided for in this section for investments in
11 qualified clean-burning motor vehicle fuel property shall be equal
12 to fifty percent (50%) of the cost of such property. The credit
13 provided for in this section for investments in qualified
14 alternative motor vehicle property shall be equal to one hundred
15 percent (100%) of the federal tax credit allowed as provided in 26
16 U.S.C., Section 30B.

17 D. If the tax credit allowed pursuant to subsection A of this
18 section exceeds the amount of income taxes due or if there are no
19 state income taxes due on the income of the taxpayer, the amount of
20 the credit not used as an offset against the income taxes of a
21 taxable year may be carried forward as a credit against subsequent
22 income tax liability for a period not to exceed three (3) years.

23 E. A husband and wife who file separate returns for a taxable
24 year in which they could have filed a joint return may each claim

1 only one-half (1/2) of the tax credit that would have been allowed
2 for a joint return.

3 SECTION 2. REPEALER 68 O.S. 2001, Section 2357.22, as
4 last amended by Section 1, Chapter 126, O.S.L. 2008 (68 O.S. Supp.
5 2008, Section 2357.22), is hereby repealed.

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