

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 SENATE BILL 1267

By: Mazzei

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5  
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68  
8 O.S. 2001, Section 2357.22, as last amended by  
9 Section 1, Chapter 308, O.S.L. 2009 (68 O.S. Supp.  
10 2009, Section 2357.22), which relates to income tax;  
11 modifying period of time during which certain income  
12 tax credit may be claimed; modifying definition to  
13 limit time period during which certain property is  
14 eligible for specified credit; and providing an  
15 effective date.

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

17 SECTION 1. AMENDATORY 68 O.S. 2001, Section 2357.22, as  
18 last amended by Section 1, Chapter 308, O.S.L. 2009 (68 O.S. Supp.  
19 2009, Section 2357.22), is amended to read as follows:

20 Section 2357.22 A. For tax years beginning before January 1,  
21 2015, there shall be allowed a one-time credit against the income  
22 tax imposed by Section 2355 of this title ~~for~~:

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

1        2. For investments in qualified electric motor vehicle property  
2 placed in service after December 31, 1995, but before January 1,  
3 2011.

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

6        1. Equipment installed to modify a motor vehicle which is  
7 propelled by gasoline or diesel fuel so that the vehicle may be  
8 propelled by a hydrogen fuel cell, compressed natural gas, liquefied  
9 natural gas or liquefied petroleum gas; provided equipment installed  
10 on a vehicle propelled by a hydrogen fuel cell shall only be  
11 eligible for tax year 2010. The equipment covered by this paragraph  
12 must be new and must not have been previously used to modify or  
13 retrofit any vehicle propelled by gasoline or diesel fuel;

14        2. A motor vehicle originally equipped so that the vehicle may  
15 be propelled by a hydrogen fuel cell, compressed natural gas,  
16 liquefied natural gas or liquefied petroleum gas but only to the  
17 extent of the portion of the basis of such motor vehicle which is  
18 attributable to the storage of such fuel, the delivery to the engine  
19 of such motor vehicle of such fuel, and the exhaust of gases from  
20 combustion of such fuel. A motor vehicle originally equipped so  
21 that the vehicle may be propelled by a hydrogen fuel cell shall only  
22 be eligible for tax year 2010;

23        3. Property, not including a building and its structural  
24 components, which is:

1 a. directly related to the delivery of compressed natural  
2 gas, liquefied natural gas or liquefied petroleum gas,  
3 or hydrogen, for commercial purposes or for a fee or  
4 charge, into the fuel tank of a motor vehicle  
5 propelled by such fuel including compression equipment  
6 and storage tanks for such fuel at the point where  
7 such fuel is so delivered but only if such property is  
8 not used to deliver such fuel into any other type of  
9 storage tank or receptacle and such fuel is not used  
10 for any purpose other than to propel a motor vehicle,  
11 or

12 b. a metered-for-fee, public access recharging system for  
13 motor vehicles propelled in whole or in part by  
14 electricity. The property covered by this paragraph  
15 must be new, and must not have been previously  
16 installed or used to refuel vehicles powered by  
17 compressed natural gas, liquefied natural gas or  
18 liquefied petroleum gas, hydrogen or electricity.

19 Any property covered by this paragraph which is related to the  
20 delivery of hydrogen into the fuel tank of a motor vehicle shall  
21 only be eligible for tax year 2010; or

22 4. Property which is directly related to the compression and  
23 delivery of natural gas from a private home or residence, for  
24 noncommercial purposes, into the fuel tank of a motor vehicle

1 propelled by compressed natural gas. The property covered by this  
2 paragraph must be new and must not have been previously installed or  
3 used to refuel vehicles powered by natural gas.

4 C. As used in this section, "qualified electric motor vehicle  
5 property" means a motor vehicle originally equipped to be propelled  
6 only by electricity; provided, if a motor vehicle is also equipped  
7 with an internal combustion engine, then such vehicle shall be  
8 considered "qualified electric motor vehicle property" only to the  
9 extent of the portion of the basis of such motor vehicle which is  
10 attributable to the propulsion of the vehicle by electricity. The  
11 term "qualified electric motor vehicle property" shall not apply to  
12 vehicles known as "golf carts", "go-carts" and other motor vehicles  
13 which are manufactured principally for use off the streets and  
14 highways.

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

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

20 1. For the qualified clean-burning motor vehicle fuel property  
21 defined in paragraph 1 or 2 of subsection B of this section and for  
22 the qualified electric motor vehicle property, fifty percent (50%)  
23 of the cost of the qualified clean-burning motor vehicle fuel  
24 property or qualified electric motor vehicle property;

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

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

10        F. In cases where no credit has been claimed pursuant to  
11 paragraph 1 of subsection E of this section by any prior owner and  
12 in which a motor vehicle is purchased by a taxpayer with qualified  
13 clean-burning motor vehicle fuel property or qualified electric  
14 motor vehicle property installed by the manufacturer of such motor  
15 vehicle and the taxpayer is unable or elects not to determine the  
16 exact basis which is attributable to such property, the taxpayer may  
17 claim a credit in an amount not exceeding the lesser of ten percent  
18 (10%) of the cost of the motor vehicle or One Thousand Five Hundred  
19 Dollars (\$1,500.00).

20        G. If the tax credit allowed pursuant to subsection A of this  
21 section exceeds the amount of income taxes due or if there are no  
22 state income taxes due on the income of the taxpayer, the amount of  
23 the credit not used as an offset against the income taxes of a  
24

1 taxable year may be carried forward as a credit against subsequent  
2 income tax liability for a period not to exceed five (5) years.

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

7 I. The Oklahoma Tax Commission is herein empowered to  
8 promulgate rules by which the purpose of this section shall be  
9 administered, including the power to establish and enforce penalties  
10 for violations thereof.

11 SECTION 2. This act shall become effective November 1, 2010.

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