

BILL SUMMARY
2nd Session of the 52nd Legislature

Bill No.:	HB 2641
Version:	Introduced
Author:	Representative Martin (Steve)
Date:	February 17, 2010
Impact:	Significant Positive Fiscal Impact

Bill Summary

Research Analyst: Dusty Darr

This measure, as introduced, provides that for taxable years beginning after December 31, 2010, every state tax credit based on an expenditure to acquire tangible personal property be reduced in an amount equal to any federal income tax credit that may be claimed as a result of the same acquisition on which the federal income tax credit is based.

The title has been stricken from the measure.

Fiscal Summary

Fiscal Analyst: Diane Thomas

HB 2641 provides (beginning in tax year 2011) that any state tax credit based on an expenditure to acquire tangible personal property will be reduced in an amount equal to any federal tax credit for the same expenditure.

Fiscal Analysis

The Tax Commission (OTC) anticipates the following credits will generate a significant positive revenue impact:

- Investments/new jobs credit (investment portion of the credit);
- Coal credit;
- Credit for investment in clean burning motor vehicle property and electric motor vehicle property;
- Oklahoma agricultural producers credit;
- Credit for hazardous waste control;
- Credit for qualified recycling facilities;
- Credit for commercial space industries;
- Credit for tourism development or qualified media production facility;
- Credit allowed under the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act;
- Credit for qualified rehabilitation expenditures;
- Credit for breeders of specially trained canines;
- Credit for modification expenses paid for an injured employee;
- Dry fire hydrant credit;
- Credit for construction of energy efficient homes; and
- Credit for railroad modernization.

Because of the various events that might occur in the future, the amount of the positive fiscal impact cannot be determined.

Long Term Fiscal Considerations

As stated above.

Fiscal Analysis Reviewed By:

Janice Buchanan

House Fiscal Director