

1 STATE OF OKLAHOMA

2 1st Session of the 53rd Legislature (2011)

3 CONFERENCE COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

5 SENATE BILL 154

By: Mazzei of the Senate

and

Dank of the House

6
7
8
9
10 CONFERENCE COMMITTEE SUBSTITUTE

11 An Act relating to the 21st Century Quality Jobs
12 Incentive Act; amending Section 5, Chapter 285,
13 O.S.L. 2009 (68 O.S. Supp. 2010, Section 3915), which
14 relates to quarterly incentive payments; clarifying
condition under which an establishment becomes
ineligible for payments; and providing an effective
date.

15
16
17
18 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

19 SECTION 1. AMENDATORY Section 5, Chapter 285, O.S.L.
20 2009 (68 O.S. Supp. 2010, Section 3915), is amended to read as
21 follows:

22 Section 3915. A. 1. Beginning with the first complete
23 calendar quarter after the application of the establishment is
24 approved by the Oklahoma Department of Commerce, the establishment

1 shall begin filing quarterly reports with the Oklahoma Tax
2 Commission that specify the actual number and individual gross
3 taxable payroll of new direct jobs for the establishment and such
4 other information as required by the Tax Commission. In no event
5 shall the first claim for incentive payments be filed later than
6 three (3) years from the start date designated by the Department.
7 The Tax Commission shall verify the actual individual gross taxable
8 payroll for new direct jobs. If the Tax Commission is not able to
9 provide such verification utilizing all available resources, the Tax
10 Commission may request additional information from the establishment
11 as may be necessary or may request the establishment to revise its
12 reports.

13 The establishment shall continue filing such reports during the
14 ten-year incentive period or until it is no longer qualified to
15 receive incentive payments. Such reports shall constitute a claim
16 for quarterly incentive payments by the establishment.

17 2. Upon receipt of a report for the initial calendar quarter of
18 the incentive period and for each subsequent calendar quarter
19 thereafter, the Tax Commission shall determine if the establishment
20 has met the following requirements:

21 a. during the initial twelve (12) quarters of the
22 contract or until the establishment creates ten new
23 direct jobs, paid the individuals it employed in new
24 direct jobs an average annualized wage that exceeded

1 the requirements of paragraph 3 of subsection C of
2 ~~Section 4 of this act~~ Section 3914 of this title, or

3 b. after the establishment created ten new direct jobs:

4 (1) paid the individuals it employed in new direct
5 jobs an average annualized wage which equaled or
6 exceeded the requirements of paragraph 3 of
7 subsection C of ~~Section 4 of this act~~ Section
8 3914 of this title, and

9 (2) created and/or maintained the minimum number of
10 new direct jobs as specified in ~~this act~~ the 21st
11 Century Quality Jobs Incentive Act.

12 3. Upon determining that an establishment has met the
13 requirements of paragraph 2 of this subsection for the initial
14 calendar quarter of the incentive period, the Tax Commission shall
15 issue a warrant to the establishment in an amount which shall be
16 equal to either:

17 a. the initial net benefit rate multiplied by the amount
18 of gross taxable payroll of new direct jobs actually
19 paid by the establishment during the initial twelve
20 (12) quarters of the contract or until the
21 establishment reaches ten new direct jobs, whichever
22 comes first, or

23 b. the fulfillment net benefit rate multiplied by the
24 amount of gross taxable payroll of new direct jobs

1 actually paid by the establishment after it creates or
2 maintains ten new direct jobs.

3 B. Except as provided in subsection C of this section, the
4 quarterly incentive payment provided for in subsection A of this
5 section shall be allowed in each of the thirty-nine (39) subsequent
6 calendar quarters.

7 C. 1. An establishment which does not meet the requirements of
8 paragraph 2 of subsection A of this section within twelve (12)
9 quarters of the date of its application shall be ineligible to
10 receive any incentive payments pursuant to its application and
11 approval.

12 2. An establishment which at any time during the thirty-nine
13 (39) subsequent calendar quarters does not meet the requirements of
14 paragraph 2 of subsection A of this section shall be ineligible to
15 receive an incentive payment during the calendar quarter in which
16 such requirements are not met.

17 3. An establishment which has met the requirements of paragraph
18 2 of subsection A of this section within twelve (12) quarters of the
19 date of its application, but which at any time during the ~~thirty-~~
20 ~~nine (39) subsequent~~ twenty-eight (28) quarters that does not meet,
21 ~~in four (4) consecutive quarters,~~ fails to meet the requirements of
22 paragraph 2 of subsection A of this section in four (4) consecutive
23 quarters, shall be ineligible to receive any further incentive
24 payments pursuant to its application and approval.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

SECTION 2. This act shall become effective November 1, 2011.

53-1-1734 JCR 5/17/2011 10:30:00 AM