

BILL SUMMARY
2nd Session of the 53rd Legislature

Bill No.:	SB 1159
Version:	FA1
Request Number:	NA
Author:	Rep. Reynolds
Date:	4/23/2012
Impact:	Sunsets Ability for Credits To be Exercised by Purchasers Effective July 1, 2012.

**Value of Potential Transfer of Credits
Estimated Prior to July 1, 2015:
\$24.0 Million
Source: Capital Investment Board**

Research Analysis

Floor amendment 1 to SB1159 provides that tax credits issued, transferred or purchased under the Oklahoma Capital Investment Act shall not be exercisable after July 1, 2012.

Prepared By: Aron Storck

Fiscal Analysis

The amendment places a sunset of July 1, 2012 on the exercising of tax credits related to the Oklahoma Capital Investment Board (OCIB) investment programs. The July 1, 2012 sunset would allow credits to be purchased by those with a contractual commitment with OCIB but those holding credits would not have the ability to exercise any credits. A total of \$100.0 million in credits are deemed issued pursuant to 68 O.S., Section 5085.7(A), however OCIB Projections related to potential credits activity, based on portfolio investment amounts, portfolio performance and provisions of existing contracts with credit purchasers indicate the amount of credits which would not be exercised may total \$24.0 million.

Prepared By: Mark Tygret

Other Considerations

The existing contracts may result in tax credits being purchased by those with contractual commitments with OCIB, however any credits so issued would not be exercised. How the provision might create any legal issues is unclear.