

1 ENGROSSED SENATE AMENDMENT
TO
2 ENGROSSED HOUSE
BILL NO. 2005

By: McNiel of the House

and

Brinkley of the Senate

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7 An Act relating to revenue and taxation; amending 68
8 O.S. 2011, Section 2357.22, which relates to tax
9 credits for certain clean-burning fuel properties;
10 modifying taxable years for which credit available;
11 modifying definitions; and providing an effective
12 date.

13 AUTHOR: Add the following House Coauthor: Scott

14 AMENDMENT NO. 1. Page 1, strike the title, enacting clause and
entire bill and insert

15
16 "An Act relating to revenue and taxation; amending 68
17 O.S. 2011, Section 2357.22, which relates to tax
18 credits for certain clean-burning fuel properties;
19 modifying taxable years for which credit available;
20 deleting obsolete language; and providing an
effective date.

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

22 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.22, is
23 amended to read as follows:
24

1 Section 2357.22 A. For tax years beginning before January 1,
2 ~~2015~~ 2020, there shall be allowed a one-time credit against the
3 income tax imposed by Section 2355 of this title

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

6 ~~2. For investments in qualified electric motor vehicle property~~
7 ~~placed in service after December 31, 1995, and before July 1, 2010.~~

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

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

18 2. A motor vehicle originally equipped so that the vehicle may
19 be propelled by a hydrogen fuel cell, compressed natural gas,
20 liquefied natural gas or liquefied petroleum gas but only to the
21 extent of the portion of the basis of such motor vehicle which is
22 attributable to the storage of such fuel, the delivery to the engine
23 of such motor vehicle of such fuel, and the exhaust of gases from
24 combustion of such fuel. A motor vehicle originally equipped so

1 that the vehicle may be propelled by a hydrogen fuel cell shall only
2 be eligible for tax year 2010;

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

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

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

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

4 4. Property which is directly related to the compression and
5 delivery of natural gas from a private home or residence, for
6 noncommercial purposes, into the fuel tank of a motor vehicle
7 propelled by compressed natural gas. The property covered by this
8 paragraph must be new and must not have been previously installed or
9 used to refuel vehicles powered by natural gas.

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

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

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1 ~~E.~~ D. The credit provided for in subsection A of this section
2 shall be as follows:

3 1. For the qualified clean-burning motor vehicle fuel property
4 defined in paragraph 1 or 2 of subsection B of this section ~~and for~~
5 ~~the qualified electric motor vehicle property~~, fifty percent (50%)
6 of the cost of the qualified clean-burning motor vehicle fuel
7 property ~~or qualified electric motor vehicle property~~;

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

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

17 ~~F.~~ E. In cases where no credit has been claimed pursuant to
18 paragraph 1 of subsection ~~E~~ D of this section by any prior owner and
19 in which a motor vehicle is purchased by a taxpayer with qualified
20 clean-burning motor vehicle fuel property ~~or qualified electric~~
21 ~~motor vehicle property~~ installed by the manufacturer of such motor
22 vehicle and the taxpayer is unable or elects not to determine the
23 exact basis which is attributable to such property, the taxpayer may
24 claim a credit in an amount not exceeding the lesser of ten percent

1 (10%) of the cost of the motor vehicle or One Thousand Five Hundred
2 Dollars (\$1,500.00).

3 ~~G.~~ F. If the tax credit allowed pursuant to subsection A of
4 this section exceeds the amount of income taxes due or if there are
5 no state income taxes due on the income of the taxpayer, the amount
6 of the credit not used as an offset against the income taxes of a
7 taxable year may be carried forward as a credit against subsequent
8 income tax liability for a period not to exceed five (5) years.

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

13 ~~F.~~ H. The Oklahoma Tax Commission is herein empowered to
14 promulgate rules by which the purpose of this section shall be
15 administered, including the power to establish and enforce penalties
16 for violations thereof.

17 SECTION 2. This act shall become effective November 1, 2013."
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1 Passed the Senate the 15th day of April, 2013.

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3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2013.

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9 Presiding Officer of the House
10 of Representatives