

COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend SB804 _____
 _____ Of the printed Bill
 Page _____ Section _____ Lines _____
 _____ Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Mike Jackson

Adopted: _____

Reading Clerk

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 PROPOSED COMMITTEE
4 SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 804

By: Marlatt of the Senate
and
Jackson of the House

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10 PROPOSED COMMITTEE SUBSTITUTE

11 [tax credits - Oklahoma Housing Finance Agency and
12 Oklahoma tax - codification - effective date]

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

16 SECTION 1. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 2357.403 of Title 68, unless
18 there is created a duplication in numbering, reads as follows:

19 A. This act shall be known and may be cited as the "Oklahoma
20 Affordable Housing Act".

21 B. As used in this section:

22 1. "Allocation year" means the year for which the Oklahoma
23 Housing Finance Agency awards credits pursuant to this section;

1 2. "Eligibility statement" means a statement authorized and
2 issued by the Oklahoma Housing Finance Agency (OHFA) certifying that
3 a given project qualifies for the Oklahoma Affordable Housing tax
4 credit authorized by this section. OHFA under Title 330 Oklahoma
5 Housing Finance Agency Chapter 36 Affordable Housing Tax Credit
6 Program Rules shall promulgate rules establishing criteria upon
7 which the eligibility statements will be issued. The eligibility
8 statement shall specify the amount of the Oklahoma Affordable
9 Housing tax credits allocated to a qualified Oklahoma project. OHFA
10 shall only authorize the tax credits created by this section to
11 qualified Oklahoma projects which are placed in service after
12 December 31, 2013, and which begin generating credits during
13 calendar year 2014 or any calendar year thereafter;

14 3. "Federal low-income housing tax credit" means the federal
15 tax credit as provided in Section 42 of the 1986 Internal Revenue
16 Code, as amended;

17 4. "Oklahoma Affordable Housing tax credit" means the tax
18 credit created by this section;

19 5. "Qualified Oklahoma project" means a qualified low-income
20 building as that term is defined in Section 42 of the 1986 Internal
21 Revenue Code, as amended, which is located in Oklahoma;

22 6. "State low-income housing tax credit" means a state tax
23 credit which is awarded by any state in conjunction with an award of
24 the federal low-income housing tax credit; and

1 7. "Taxpayer" means a person, firm or corporation subject to
2 the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes
3 or an insurance company subject to the tax imposed by Section 624 or
4 628 of Title 36 of the Oklahoma Statutes or other financial
5 institution subject to the tax imposed by Section 2370 of Title 68
6 of the Oklahoma Statutes.

7 C. For qualified Oklahoma projects placed in service after
8 December 31, 2013, the amount of state tax credits created by this
9 section which are available to a project shall be equal to that of
10 the federal low-income housing tax credits for a qualified Oklahoma
11 project; provided, the credits shall be limited to one (1) calendar
12 year. The total Oklahoma Affordable Housing tax credits made
13 available to all qualified Oklahoma projects for an allocation year
14 shall be equal to the annual federal low-income housing tax credits
15 available to the state for the same allocation year.

16 D. A taxpayer owning an interest in an investment in a
17 qualified project shall be allowed a state tax credit under this
18 section if the Oklahoma Housing Finance Agency issues an eligibility
19 statement for that project. Such taxpayer shall have the intent to
20 receive an allotment of Oklahoma Affordable Housing tax credits from
21 the qualified project in each year such project continues to
22 generate credits. The commitment of such taxpayer's total capital
23 to the investment may be contingent only upon the receipt by the
24 qualified project of the initial issuance of the eligibility

1 statement from the Oklahoma Housing Finance Agency. Such taxpayer
2 may transfer or assign its interest in the investment. The one-time
3 credit must be claimed in the year the investment was made. Except
4 as provided in subsection G of this section, no credit shall be
5 allowed in a tax year other than the year in which the taxpayer made
6 an investment in a qualified Oklahoma project.

7 E. An insurance company claiming a credit against state premium
8 tax or retaliatory tax or any other tax imposed by Section 624 or
9 628 of Title 36 of the Oklahoma Statutes shall not be required to
10 pay any additional retaliatory tax under Section 628 of Title 36 of
11 the Oklahoma Statutes as a result of claiming the credit. The
12 credit may fully offset any retaliatory tax imposed by Section 628
13 of Title 36 of the Oklahoma Statutes.

14 F. The credit authorized by this section shall not be used to
15 reduce the tax liability of the taxpayer to less than zero (0).

16 G. Any credit claimed but not used in a taxable year may be
17 carried forward to each of the five (5) subsequent taxable years.

18 H. The owner of a qualified project eligible for the credit
19 authorized by this section shall submit, at the time of filing the
20 tax return with the Oklahoma Tax Commission, an eligibility
21 statement from the Oklahoma Housing Finance Agency. In the case of
22 failure to attach the eligibility statement, no credit under this
23 section shall be allowed with respect to such project for that year
24 until required documents are provided to the Tax Commission.

1 I. If under Section 42 of the 1986 Internal Revenue Code, as
2 amended, a portion of any federal low-income housing credits taken
3 on a qualified project is required to be recaptured during the first
4 ten (10) years after a project is placed in service, the taxpayer
5 claiming state credits with respect to such project shall also be
6 required to recapture a portion of any state credits authorized by
7 this section. The amount of Oklahoma Affordable Housing tax credits
8 subject to recapture shall be proportionally equal to the amount of
9 federal low-income housing credits subject to recapture.

10 J. The Oklahoma Housing Finance Agency or the Oklahoma Tax
11 Commission may require the filing of additional documentation
12 necessary to determine the accuracy of a tax credit claimed.

13 K. The Oklahoma Affordable Housing Act shall undergo a review
14 every five (5) years by a committee of nine (9) persons, to be
15 appointed three persons each by the Governor, President Pro Tempore
16 of the Oklahoma State Senate and the Speaker of the Oklahoma House
17 of Representatives.

18 SECTION 2. This act shall become effective January 1, 2014.

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20 54-1-7832 MAH 04/09/13

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