

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 54th Legislature (2013)

4 COMMITTEE SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 343

By: Mazzei of the Senate

and

Sears of the House

8
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10 COMMITTEE SUBSTITUTE

11 An Act relating to income tax; amending 68 O.S. 2011,
12 Section 2357.22, which relates to tax credits for
13 certain qualified property; deleting obsolete
14 language; eliminating reference to certain types of
15 property from, and modifying eligibility relating to,
16 specified definition; conforming language;
17 eliminating certain contingent credit; and providing
18 an effective date.

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

20 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.22, is
21 amended to read as follows:

22 Section 2357.22. A. For tax years beginning before January 1,
23 2015, there shall be allowed a one-time credit against the income
24 tax imposed by Section 2355 of this title

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

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

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

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

13 2. A motor vehicle originally equipped so that the vehicle may
14 be propelled by ~~a hydrogen fuel cell~~, compressed natural gas,
15 liquefied natural gas or liquefied petroleum gas but only to the
16 extent of the portion of the basis of such motor vehicle which is
17 attributable to the storage of such fuel, the delivery to the engine
18 of such motor vehicle of such fuel, and the exhaust of gases from
19 combustion of such fuel. ~~A motor vehicle originally equipped so~~
20 ~~that the vehicle may be propelled by a hydrogen fuel cell shall only~~
21 ~~be eligible for tax year 2010;~~

22 3. Property, not including a building and its structural
23 components, which is:
24

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

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

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

22 4. Property which is directly related to the compression and
23 delivery of natural gas from a private home or residence, for
24 noncommercial purposes, into the fuel tank of a motor vehicle

1 propelled by compressed natural gas. The property covered by this
2 paragraph must be new and must not have been previously installed or
3 used to refuel vehicles powered by natural gas.

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

15 ~~D.~~ As used in this section, "motor vehicle" means a motor
16 vehicle originally designed by the manufacturer to operate lawfully
17 and principally on streets and highways.

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

20 1. For the qualified clean-burning motor vehicle fuel property
21 defined in paragraph 1 or 2 of subsection B of this section ~~and for~~
22 ~~the qualified electric motor vehicle property~~, fifty percent (50%)
23 of the cost of the qualified clean-burning motor vehicle fuel
24 property ~~or qualified electric motor vehicle property;~~

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

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

10 ~~F.~~ E. In cases where no credit has been claimed pursuant to
11 paragraph 1 of subsection E of this section by any prior owner and
12 in which a motor vehicle is purchased by a taxpayer with qualified
13 clean-burning motor vehicle fuel property ~~or qualified electric~~
14 ~~motor vehicle property~~ installed by the manufacturer of such motor
15 vehicle and the taxpayer is unable or elects not to determine the
16 exact basis which is attributable to such property, the taxpayer may
17 claim a credit in an amount not exceeding the lesser of ten percent
18 (10%) of the cost of the motor vehicle or One Thousand Five Hundred
19 Dollars (\$1,500.00).

20 ~~G.~~ F. If the tax credit allowed pursuant to subsection A of
21 this section exceeds the amount of income taxes due or if there are
22 no state income taxes due on the income of the taxpayer, the amount
23 of the credit not used as an offset against the income taxes of a
24

1 taxable year may be carried forward as a credit against subsequent
2 income tax liability for a period not to exceed five (5) years.

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

7 ~~I.~~ H. The Oklahoma Tax Commission is herein empowered to
8 promulgate rules by which the purpose of this section shall be
9 administered, including the power to establish and enforce penalties
10 for violations thereof.

11 SECTION 2. This act shall become effective November 1, 2013.

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13 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
14 04/08/2013 - DO PASS, As Amended.

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