

1 **SENATE FLOOR VERSION**

2 February 18, 2014

3 **AS AMENDED**

4 SENATE BILL NO. 1149

5 By: Mazzei and Fields of the
6 Senate

7 and

8 Sears of the House

9 **[income tax - tax credits for certain donations -
10 effective date]**

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

12 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.45, is
13 amended to read as follows:

14 Section 2357.45. A. 1. For tax years beginning after December
15 31, 2004, and ending before January 1, 2017, there shall be allowed
16 against the tax imposed by Section 2355 of this title, a credit for
17 any taxpayer who makes a donation to an independent biomedical
18 research institute and for tax years beginning after December 31,
19 2010, and ending before January 1, 2017, a credit for any taxpayer
20 who makes a donation to a cancer research institute.

21 2. The credit authorized by paragraph 1 of this subsection
22 shall be limited as follows:

23 a. for calendar year 2007 and all subsequent years, the
24 credit percentage, not to exceed fifty percent (50%),

1 shall be adjusted annually so that the total estimate
2 of the credits does not exceed Two Million Dollars
3 (\$2,000,000.00) annually. The formula to be used for
4 the percentage adjusted shall be fifty percent (50%)
5 times One Million Dollars (\$1,000,000.00) divided by
6 the credits claimed in the preceding year for each
7 donation to an independent biomedical research
8 institute and fifty percent (50%) times One Million
9 Dollars (\$1,000,000.00) divided by the credits claimed
10 in the preceding year for each donation to a cancer
11 research institute,

12 b. in no event shall a taxpayer claim more than one
13 credit for a donation to any independent biomedical
14 research institute and one credit for a donation to a
15 cancer research institute in each taxable year nor
16 shall the credit exceed One Thousand Dollars
17 (\$1,000.00) for each taxpayer for each type of
18 donation,

19 c. for tax year 2011, no more than Fifty Thousand Dollars
20 (\$50,000.00) in total tax credits for donations to a
21 cancer research institute shall be allowed,

22 d. in no event shall more than fifty percent (50%) of the
23 Two Million Dollars (\$2,000,000.00) in total tax
24 credits authorized by this section, for any calendar

1 year after ~~the effective date of this act~~ January 1,
2 2011, be allocated for credits for donations to a
3 cancer research institute, and

4 e. in the event the total tax credits authorized by this
5 section exceed One Million Dollars (\$1,000,000.00) in
6 any calendar year for either a cancer research
7 institute or an independent biomedical research
8 institute, the Oklahoma Tax Commission shall permit
9 any excess over One Million Dollars (\$1,000,000.00)
10 but shall factor such excess into the percentage
11 adjustment formula for subsequent years for that type
12 of donation. However, any such adjustment to the
13 formula for donations to an independent biomedical
14 research institute shall not affect the formula for
15 donations to a cancer research institute, and any such
16 adjustment to the formula for donations to a cancer
17 research institute shall not affect the formula for
18 donations to an independent biomedical research
19 institute.

20 3. For purposes of this section, "independent biomedical
21 research institute" means an organization which is exempt from
22 taxation pursuant to the provisions of Section 501(c)(3) of the
23 Internal Revenue Code, 26 U.S.C., Section 501(c)(3) whose primary
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1 focus is conducting peer-reviewed basic biomedical research. The
2 organization shall:

- 3 a. have a board of directors,
- 4 b. be able to accept grants in its own name,
- 5 c. be an identifiable institute that has its own
6 employees and administrative staff, and
- 7 d. receive at least Fifteen Million Dollars
8 (\$15,000,000.00) in National Institute of Health
9 funding each year.

10 4. For purposes of this section, "cancer research institute"
11 means an organization which is exempt from taxation pursuant to the
12 Internal Revenue Code and whose primary focus is raising the
13 standard of cancer clinical care in Oklahoma through peer-reviewed
14 cancer research and education or a not-for-profit supporting
15 organization, as that term is defined by the Internal Revenue Code,
16 affiliated with a tax-exempt organization whose primary focus is
17 raising the standard of cancer clinical care in Oklahoma through
18 peer-reviewed cancer research and education. The tax-exempt
19 organization whose primary focus is raising the standard of cancer
20 clinical care in Oklahoma through peer-reviewed cancer research and
21 education shall:

- 22 a. either be an independent research institute or a
23 program that is part of a state university which is a
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1 member of The Oklahoma State System of Higher
2 Education, and

3 b. receive at least Four Million Dollars (\$4,000,000.00)
4 in National Cancer Institute funding each year.

5 B. In no event shall the amount of the credit exceed the amount
6 of any tax liability of the taxpayer.

7 C. Any credits allowed but not used in any tax year may be
8 carried over, in order, to each of the four (4) years following the
9 year of qualification.

10 D. The Tax Commission shall have the authority to prescribe
11 forms for purposes of claiming the credit authorized by this
12 section.

13 SECTION 2. This act shall become effective November 1, 2014.

14 COMMITTEE REPORT BY: COMMITTEE ON FINANCE
15 February 18, 2014 - DO PASS AS AMENDED
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