STATE OF OKLAHOMA

2nd Session of the 55th Legislature (2016)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 893

By: Mazzei, Smalley, Standridge and Allen of the Senate

and

Montgomery of the House

COMMITTEE SUBSTITUTE

An Act relating to revenue and taxation; amending 68 O.S. 2011, Section 2370.1, as amended by Section 1, Chapter 32, O.S.L. 2014 (68 O.S. Supp. 2015, Section 2370.1), which relates to the banking privilege tax; extending time period during which credit against tax may be claimed; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 2011, Section 2370.1, as amended by Section 1, Chapter 32, O.S.L. 2014 (68 O.S. Supp. 2015, Section 2370.1), is amended to read as follows:

Section 2370.1 A. There shall be allowed a credit against the tax imposed by Section 2370 of this title for any state banking association, national banking association and credit union organized under the laws of this state for the amount of the guaranty fee paid

by the banking association or credit union to the United States Small Business Administration pursuant to the "7(a)" loan guaranty program.

B. The credit authorized by this section may be claimed for guaranty fees paid on or after January 1, 2000, and before January 1, ~~2017~~ 2018.

C. No credit may be claimed pursuant to this section if, pursuant to the agreement between the banking association or credit union and the entity to which proceeds are made available, the banking association or credit union adds the amount of the SBA 7(a) loan guaranty fee to the amount financed by the borrower or in any other way recovers the guaranty fee amount from the borrower.

D. The credit authorized by this section may be claimed and if not fully used in the initial year for which the credit is claimed may be carried over, in order, to each of the five (5) succeeding taxable years. The credit authorized by this section may not be used to reduce the tax liability of the credit claimant below zero (0).

E. The Oklahoma Tax Commission shall prepare a report regarding the amount of tax credits claimed as authorized by this section. The report shall be submitted to the Speaker of the House of Representatives and to the President Pro Tempore of the Senate not later than March 31 of each year.

SECTION 2. This act shall become effective November 1, 2016.

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