

1 ENGROSSED SENATE
2 BILL NO. 1605

By: Jolley, Treat and Mazzei of
the Senate

3 and

4 Sears and Casey of the
5 House

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7 An Act relating to income tax credits; amending 68
8 O.S. 2011, Section 2357.27, as amended by Section 1,
9 Chapter 33, O.S.L. 2014 (68 O.S. Supp. 2015, Section
10 2357.27), which relates to tax credits for certain
11 entities providing child care services; prohibiting
12 use of tax credits for certain specified taxable
13 years; and providing an effective date.

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

15 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.27, as
16 amended by Section 1, Chapter 33, O.S.L. 2014 (68 O.S. Supp. 2015,
17 Section 2357.27), is amended to read as follows:

18 Section 2357.27. A. Except as otherwise provided by subsection
19 E or F of this section, for tax years beginning after December 31,
20 1998, and ending before ~~January 1, 2017~~ January 1, 2016, there shall
21 be allowed a credit against the tax imposed by Section 2355 of this
22 title for eligible expenses incurred by entities primarily engaged
23 in the business of providing child care services.

24 B. As used in this section, "eligible expenses" means amounts
paid by an entity primarily engaged in the business of providing

1 child care services for expenses incurred by the entity to comply
2 with the standards promulgated by a national accrediting association
3 recognized by the Department of Human Services and which would not
4 have been incurred by the entity to comply with the Oklahoma Child
5 Care Facilities Licensing Act.

6 C. The credit allowed by subsection A of this section shall be
7 twenty percent (20%) of the amount of eligible expenses. Such
8 credit shall not be allowed for any amounts for which the entity
9 claims or receives an income tax credit, exemption or deduction.

10 D. Any credits allowed but not used in any tax year may be
11 carried over in order to each of the four (4) tax years following
12 the year of qualification.

13 E. No credit otherwise authorized by the provisions of this
14 section may be claimed for any event, transaction, investment,
15 expenditure or other act occurring on or after July 1, 2010, for
16 which the credit would otherwise be allowable. The provisions of
17 this subsection shall cease to be operative on July 1, 2012.
18 Beginning July 1, 2012, the credit authorized by this section may be
19 claimed for any event, transaction, investment, expenditure or other
20 act occurring on or after July 1, 2012, according to the provisions
21 of this section.

22 F. No credit otherwise authorized by the provisions of this
23 section may be claimed for any event, transaction, investment,
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1 expenditure or other act occurring on or after January 1, 2016, for
2 which the credit would otherwise be allowable.

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

4 Passed the Senate the 16th day of May, 2016.

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Presiding Officer of the Senate

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8 Passed the House of Representatives the ____ day of _____,
9 2016.

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Presiding Officer of the House
of Representatives

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