

1 ENGROSSED SENATE
2 BILL NO. 247

By: Mazzei of the Senate

and

Sears of the House

3
4
5
6 An Act relating to income tax; amending 68 O.S. 2011,
7 Section 2357, as amended by Section 1, Chapter 363,
8 O.S.L. 2013 (68 O.S. Supp. 2014, Section 2357), which
9 relates to tax credits; deleting conflict created by
10 prior repeal of certain act; and providing an
11 effective date.

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

13 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357, as
14 amended by Section 1, Chapter 363, O.S.L. 2013 (68 O.S. Supp. 2014,
15 Section 2357), is amended to read as follows:

16 Section 2357. A. The withheld taxes and estimated taxes paid
17 shall be allowed as credits as provided by law.

18 B. 1. There shall be allowed as a credit against the tax
19 imposed by Section 2355 of this title the amount of tax paid another
20 state by a resident individual, as defined in paragraph 4 of Section
21 2353 of this title, upon income received as compensation for
22 personal services in such other state; provided, such credit shall
23 not be allowed with respect to any income specified in Section 114
24 of Title 4 of the United States Code, 4 U.S.C., Section 114, upon
which a state is prohibited from imposing an income tax. The credit

1 shall not exceed such proportion of the tax payable under Section
2 2355 of this title as the compensation for personal services subject
3 to tax in the other state and also taxable under Section 2355 of
4 this title bears to the Oklahoma adjusted gross income as defined in
5 paragraph 13 of Section 2353 of this title.

6 2. For tax years beginning after December 31, 2007, there shall
7 be allowed to a resident individual or part-year resident individual
8 or nonresident individual member of the Armed Forces as a credit
9 against the tax imposed by Section 2355 of this title twenty percent
10 (20%) of the credit for child care expenses allowed under the
11 Internal Revenue Code of the United States or five percent (5%) of
12 the child tax credit allowed under the Internal Revenue Code,
13 whichever amount is greater. Neither credit authorized by this
14 paragraph shall exceed the tax imposed by Section 2355 of this
15 title. The maximum child care credit allowable on the Oklahoma
16 income tax return shall be prorated on the ratio that Oklahoma
17 adjusted gross income bears to the federal adjusted gross income.
18 The credit authorized by this paragraph shall not be claimed by any
19 taxpayer if the federal adjusted gross income reflected on the
20 Oklahoma return for the taxpayer is in excess of One Hundred
21 Thousand Dollars (\$100,000.00).

22 ~~C. No additions to tax shall be made in Oklahoma income tax~~
23 ~~returns by reason of the recapture or restoration of credits under~~
24 ~~the Internal Revenue Code, and no other credits against tax shall be~~

