

1 ENGROSSED SENATE  
2 BILL NO. 893

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

3 and

4 Montgomery of the House

5  
6 [ bank privilege tax - tax credits - effective date ]  
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9 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

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

13 Section 2370.1. A. There shall be allowed a credit against the  
14 tax imposed by Section 2370 of this title for any state banking  
15 association, national banking association and credit union organized  
16 under the laws of this state for the amount of the guaranty fee paid  
17 by the banking association or credit union to the United States  
18 Small Business Administration pursuant to the "7(a)" loan guaranty  
19 program.

20 B. The credit authorized by this section may be claimed for  
21 guaranty fees paid on or after January 1, 2000, and before ~~January~~  
22 ~~1, 2017~~ January 1, 2018.

23 C. No credit may be claimed pursuant to this section if,  
24 pursuant to the agreement between the banking association or credit

1 union and the entity to which proceeds are made available, the  
2 banking association or credit union adds the amount of the SBA 7(a)  
3 loan guaranty fee to the amount financed by the borrower or in any  
4 other way recovers the guaranty fee amount from the borrower.

5 D. The credit authorized by this section may be claimed and if  
6 not fully used in the initial year for which the credit is claimed  
7 may be carried over, in order, to each of the five (5) succeeding  
8 taxable years. The credit authorized by this section may not be  
9 used to reduce the tax liability of the credit claimant below zero  
10 (0).

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

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

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