

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 SENATE BILL 1439

By: Standridge

4
5
6 AS INTRODUCED

7 An Act relating to income tax credits; amending 68
8 O.S. 2011, Section 2357.47, as amended by Section 1,
9 Chapter 292, O.S.L. 2014 (68 O.S. Supp. 2015, Section
10 2357.47), which relates to credit for eligible
11 modification expenses by certain employers; modifying
12 reference; modifying time period during which certain
credits are allowed and providing condition thereto;
and providing effective date.

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

14 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.47, as
15 amended by Section 1, Chapter 292, O.S.L. 2014 (68 O.S. Supp. 2015,
16 Section 2357.47), is amended to read as follows:

17 Section 2357.47. A. 1. Except as otherwise provided in
18 subsection D of this section, for tax years beginning after December
19 31, 2005, and ending before January 1, 2015, there shall be allowed
20 against the tax imposed by Section 2355 of this title, a credit for
21 eligible wages paid by an employer to an employee. The amount of
22 the credit shall be ten percent (10%) of the amount of the gross
23 wages paid to the employee for a period not to exceed ninety (90)
24 days but in no event shall the credit exceed Five Thousand Dollars

1 (\$5,000.00) for each employee of each taxpayer. In no event shall
2 the total credit claimed exceed Twenty-five Thousand Dollars
3 (\$25,000.00) in any one year for any taxpayer.

4 2. Except as otherwise provided by ~~subsection D~~ subsections D
5 and E of this section, for tax years beginning after December 31,
6 2005, and ending before ~~January 1, 2017~~ January 1, 2018, there shall
7 be allowed against the tax imposed by Section 2355 of this title, a
8 credit for eligible modification expenses of an employer. The
9 amount of the credit shall be fifty percent (50%) of the amount of
10 the funds expended for eligible modification expenses or new tools
11 or equipment but in no event shall the credit exceed One Thousand
12 Dollars (\$1,000.00) for eligible modification expenses incurred for
13 any single employee. In no event shall the total credit claimed
14 exceed Ten Thousand Dollars (\$10,000.00) in any year for any
15 taxpayer.

16 3. As used in this section:

- 17 a. "employee", "employer", "maximum medical improvement",
18 "treating physician", and "wages" shall be defined as
19 in Title 85 of the Oklahoma Statutes,
20 b. "eligible wages" means gross wages paid by an employer
21 to an employee who is injured as a result of an injury
22 which is compensable under Title 85 of the Oklahoma
23 Statutes and which are paid beginning when the
24 employee returns to work with restricted duties as

1 provided by the employee's treating physician or an
2 independent medical examiner before the employee has
3 reached maximum medical improvement, and ending after
4 ninety (90) days or when the employee has reached
5 maximum medical improvement, and

6 c. "eligible modification expenses" means expenses
7 incurred by an employer to modify a workplace, tools
8 or equipment or to obtain new tools or equipment and
9 which are incurred by an employer solely to enable a
10 specific injured employee who is injured as a result
11 of an injury which is compensable under the Workers'
12 Compensation Act to return to work with restricted
13 duties as provided by the employee's treating
14 physician or an independent medical examiner before
15 the employee has reached maximum medical improvement,
16 and which workplace, tools or equipment are used
17 primarily by the injured employee.

18 B. In no event shall the amount of the credit(s) exceed the
19 amount of any tax liability of the taxpayer.

20 C. The Oklahoma Tax Commission shall have the authority to
21 promulgate rules necessary to effectuate the purposes of this
22 section.

23 D. No credit otherwise authorized by the provisions of this
24 section may be claimed for any event, transaction, investment,

1 expenditure or other act occurring on or after July 1, 2010, for
2 which the credit would otherwise be allowable. The provisions of
3 this subsection shall cease to be operative on July 1, 2012.

4 Beginning July 1, 2012, the credit authorized by this section may be
5 claimed for any event, transaction, investment, expenditure or other
6 act occurring on or after July 1, 2012, according to the provisions
7 of this section.

8 E. No credits shall be allowed pursuant to this section for
9 eligible modification expenses made on or after January 1, 2018,
10 unless this section is reauthorized by the Oklahoma Legislature
11 after evaluation by the Incentive Evaluation Commission pursuant to
12 Section 7004 of Title 62 of the Oklahoma Statutes.

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

14
15 55-2-2548 JCR 2/18/2016 6:56:57 PM
16
17
18
19
20
21
22
23
24