

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1569

By: Smalley

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7 AS INTRODUCED

8 An Act relating to income tax; amending 68 O.S. 2011,
9 Section 2357, as last amended by Section 1, Chapter
10 147, O.S.L. 2015 (68 O.S. Supp. 2015, Section 2357),
11 which relates to credits; limiting time period during
12 which certain credits may be claimed; and providing
13 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, as
16 last amended by Section 1, Chapter 147, O.S.L. 2015 (68 O.S. Supp.
17 2015, Section 2357), is amended to read as follows:

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

20 B. 1. There shall be allowed as a credit against the tax
21 imposed by Section 2355 of this title the amount of tax paid another
22 state by a resident individual, as defined in paragraph 4 of Section
23 2353 of this title, upon income received as compensation for
24 personal services in such other state; provided, such credit shall

1 not be allowed with respect to any income specified in Section 114
2 of Title 4 of the United States Code, 4 U.S.C., Section 114, upon
3 which a state is prohibited from imposing an income tax. The credit
4 shall not exceed such proportion of the tax payable under Section
5 2355 of this title as the compensation for personal services subject
6 to tax in the other state and also taxable under Section 2355 of
7 this title bears to the Oklahoma adjusted gross income as defined in
8 paragraph 13 of Section 2353 of this title.

9 2. For tax years beginning after December 31, 2007, and ending
10 before January 1, 2017, there shall be allowed to a resident
11 individual or part-year resident individual or nonresident
12 individual member of the Armed Forces as a credit against the tax
13 imposed by Section 2355 of this title twenty percent (20%) of the
14 credit for child care expenses allowed under the Internal Revenue
15 Code of the United States or five percent (5%) of the child tax
16 credit allowed under the Internal Revenue Code, whichever amount is
17 greater. Neither credit authorized by this paragraph shall exceed
18 the tax imposed by Section 2355 of this title. The maximum child
19 care credit allowable on the Oklahoma income tax return shall be
20 prorated on the ratio that Oklahoma adjusted gross income bears to
21 the federal adjusted gross income. The credit authorized by this
22 paragraph shall not be claimed by any taxpayer if the federal
23 adjusted gross income reflected on the Oklahoma return for the
24 taxpayer is in excess of One Hundred Thousand Dollars (\$100,000.00).

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

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