

STATE OF OKLAHOMA

1st Session of the 54th Legislature (2013)

HOUSE BILL 1369

By: Dank

AS INTRODUCED

An Act relating to revenue and taxation; defining term; requiring measures to contain provisions allowing identification of certain persons; providing exception; requiring creation or retention of jobs; requiring tax credit to contain limitations with respect to revenue loss; requiring tax credits to contain certain termination date; requiring prior approval of certain activity related to tax credits; requiring audits by the State Auditor and Inspector; requiring fiscal impact; requiring impact to be available within certain period of time prior to vote on final passage; prohibiting consideration of measures containing tax credits during certain period of time related to legislative sessions; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.501 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. As used in this section, "tax credit" means a method by which a person or entity may reduce any state tax liability pursuant to a statutory authorization allowing the tax to be reduced either by a percentage or a specific dollar amount after the applicable tax

1 rate amount has been multiplied by the applicable tax base amount
2 and which results in a net tax liability after the tax credit amount
3 has been subtracted from a gross tax liability amount.

4 B. Any measure providing for a tax credit shall contain
5 provisions pursuant to which any member of the public can determine
6 the identity of any person or entity that benefits from the tax
7 credit after it has been claimed upon a tax return.

8 C. Any tax credit shall provide for the creation of new jobs or
9 the retention of existing jobs within the State of Oklahoma.

10 D. With respect to each fiscal year of the state, any tax
11 credit shall be limited based upon the total amount of credits that
12 may be claimed by one taxpaying entity, based upon the total amount
13 of credits that may be claimed by all taxpaying entities or both
14 such limitations.

15 E. Any tax credit passed by the Legislature shall contain a
16 date certain for the termination of the provisions authorizing the
17 credit.

18 F. No economic activity that qualifies for a tax credit may
19 occur without the project costs receiving prior approval by a state
20 governmental entity to be designated pursuant to law enacted by the
21 Legislature.

22 G. Transactions for which a tax credit has been authorized and
23 which result in a reduction or potential reduction of state revenue
24 shall be audited by the State Auditor and Inspector.

1 H. No measure containing a tax credit shall receive final
2 passage by either chamber of the Legislature unless a detailed
3 fiscal impact analyzing the effect of the tax credit on state
4 revenue and upon the economy of the state is prepared. Such impact
5 statement shall be made available to each member of the applicable
6 chamber at least twenty-four (24) hours prior to the occurrence of
7 the vote upon final passage of the measure.

8 I. No measure containing a tax credit shall be considered
9 during the last five (5) days of a regular or extraordinary session
10 of the Legislature.

11 SECTION 2. This act shall become effective July 1, 2013.

12 SECTION 3. It being immediately necessary for the preservation
13 of the public peace, health and safety, an emergency is hereby
14 declared to exist, by reason whereof this act shall take effect and
15 be in full force from and after its passage and approval.

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