

1 ENGROSSED SENATE
2 BILL NO. 1604

By: Jolley, Treat and Mazzei of
the Senate

3 and

4 Sears and Casey of the
5 House

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7 An Act relating to income tax credit; amending 68
8 O.S. 2011, Section 2357.43, which relates to tax
9 credit based on federal earned income credit;
10 limiting time period during which credit is
11 refundable; and providing an effective date.

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

13 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.43, is
14 amended to read as follows:

15 Section 2357.43. For tax years beginning after December 31,
16 2001, there shall be allowed to a resident individual or a part-year
17 resident individual as a credit against the tax imposed by Section
18 2355 of this title five percent (5%) of the earned income tax credit
19 allowed under Section 32 of the Internal Revenue Code of the United
20 States, 26 U.S.C., Section 32. However, this credit shall not be
21 paid in advance pursuant to the provisions of Section 3507 of the
22 Internal Revenue Code. ~~If~~ For tax years which begin before January
23 1, 2016, if the credit exceeds the tax imposed by Section 2355 of
24 this title, the excess amount shall be refunded to the taxpayer.

1 The maximum earned income tax credit allowable on the Oklahoma
2 income tax return shall be prorated on the ratio that Oklahoma
3 adjusted gross income bears to the federal adjusted gross income.

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

5 Passed the Senate the 16th day of May, 2016.

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Presiding Officer of the Senate

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9 Passed the House of Representatives the ____ day of _____,
10 2016.

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Presiding Officer of the House
of Representatives

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