

CONFERENCE COMMITTEE REPORT SUMMARY

Measure: HB1519

Principal Authors: Representative Cockroft
Senator Smalley

General Subject Matter: Revenue and Tax

General Description of **Major Differences** between the current report and the version last seen and voted on in the House and the sections in which such differences are located:

√ Changes from engrossed House measure which were made in the Senate and contained in conference committee report/substitute (applies *only* to House measures):

Section 2: Increases the ownership waiting period from three to five years.

Section 2 & 3: Delays the ability to open a homebuyer savings account and receive an income tax deduction until January 1, 2019. Previously, eligible homebuyers could open an account as soon as January 1, 2017 and be eligible to deduct earnings from Oklahoma taxable income beginning tax year 2017.

Section 2: Modifies the definition of *single-family residence* to exclude trailer homes.

Section 4: Prohibits any person from being an accountholder in more than one homebuyer savings account at any time.

Section 6: Limits the number of years that earnings may be deducted from taxable income at 10 years. Previously, the allowed deduction period was 10-15 years.

Section 6: Makes only the interest portion of leftover funds in a homebuyer savings account taxable after the expiration of the deduction period. Previous, all leftover funds in an account would have been taxable.

√ Changes made in conference:

Section 2: Modifies the definition of *financial institution* to exclude money market mutual funds.

Section 3: Clarifies that the \$25,000 limit on the total amount retained in a homebuyer savings account may include total contributions plus accrued earnings from the contribution.

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