

1  
2  
3  
4  
5  
6  
7  
8  
9  
0  
1  
2  
3  
4  
5  
6  
7  
8  
9  
0  
1  
2  
3  
4

**As Amended**

By: David

```
[ income tax - credits for aerospace industry -  
effective date ]
```

SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.302, as amended by Section 2, Chapter 30, O.S.L. 2014 (68 O.S. Supp. 2016, Section 2357.302), is amended to read as follows:

Section 2357.302. A. Except as provided in subsection F of this section, for taxable years beginning after December 31, 2008, and ending before ~~January 1, 2018~~ January 1, 2026, a qualified employer shall be allowed a credit against the tax imposed pursuant to Section 2355 of this title for tuition reimbursed to a qualified employee.

B. The credit authorized by subsection A of this section may be claimed only if the qualified employee has been awarded an undergraduate or graduate degree within one (1) year of commencing employment with the qualified employer.

C. The credit authorized by subsection A of this section shall be in the amount of fifty percent (50%) of the tuition reimbursed to

1 a qualified employee for the first through fourth years of  
2 employment. In no event shall this credit exceed fifty percent  
3 (50%) of the average annual amount paid by a qualified employee for  
4 enrollment and instruction in a qualified program at a public  
5 institution in Oklahoma.

6 D. The credit authorized by subsection A of this section shall  
7 not be used to reduce the tax liability of the qualified employer to  
8 less than zero (0).

9 E. No credit authorized by this section shall be claimed after  
10 the fourth year of employment.

11 F. No credit otherwise authorized by the provisions of this  
12 section may be claimed for any event, transaction, investment,  
13 expenditure or other act occurring on or after July 1, 2010, for  
14 which the credit would otherwise be allowable. The provisions of  
15 this subsection shall cease to be operative on July 1, 2011.  
16 Beginning July 1, 2011, the credit authorized by this section may be  
17 claimed for any event, transaction, investment, expenditure or other  
18 act occurring on or after July 1, 2011, according to the provisions  
19 of this section.

20 SECTION 2. AMENDATORY 68 O.S. 2011, Section 2357.303, as  
21 amended by Section 3, Chapter 30, O.S.L. 2014 (68 O.S. Supp. 2016,  
22 Section 2357.303), is amended to read as follows:

23 Section 2357.303. A. Except as provided in subsection F of  
24 this section, for taxable years beginning after December 31, 2008,

1 and ending before ~~January 1, 2018~~ January 1, 2026, a qualified  
2 employer shall be allowed a credit against the tax imposed pursuant  
3 to Section 2355 of this title for compensation paid to a qualified  
4 employee.

5 B. The credit authorized by subsection A of this section shall  
6 be in the amount of:

7 1. Ten percent (10%) of the compensation paid for the first  
8 through fifth years of employment in the aerospace sector if the  
9 qualified employee graduated from an institution located in this  
10 state; or

11 2. Five percent (5%) of the compensation paid for the first  
12 through fifth years of employment in the aerospace sector if the  
13 qualified employee graduated from an institution located outside  
14 this state.

15 C. The credit authorized by this section shall not exceed  
16 Twelve Thousand Five Hundred Dollars (\$12,500.00) for each qualified  
17 employee annually.

18 D. The credit authorized by this section shall not be used to  
19 reduce the tax liability of the qualified employer to less than zero  
20 (0).

21 E. No credit authorized pursuant to this section shall be  
22 claimed after the fifth year of employment.

23 F. 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, 2011.

4 Beginning July 1, 2011, 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, 2011, according to the provisions  
7 of this section.

8 SECTION 3. AMENDATORY 68 O.S. 2011, Section 2357.304, as  
9 amended by Section 4, Chapter 30, O.S.L. 2014 (68 O.S. Supp. 2016,  
10 Section 2357.304), is amended to read as follows:

11 Section 2357.304. A. Except as provided in subsection D of  
12 this section, for taxable years beginning after December 31, 2008,  
13 and ending before ~~January 1, 2018~~ January 1, 2026, a qualified  
14 employee shall be allowed a credit against the tax imposed pursuant  
15 to Section 2355 of this title of up to Five Thousand Dollars  
16 (\$5,000.00) per year for a period of time not to exceed five (5)  
17 years.

18 B. The credit authorized by this section shall not be used to  
19 reduce the tax liability of the taxpayer to less than zero (0).

20 C. Any credit claimed, but not used, may be carried over, in  
21 order, to each of the five (5) subsequent taxable years.

22 D. No credit otherwise authorized by the provisions of this  
23 section may be claimed for any event, transaction, investment,  
24 expenditure or other act occurring on or after July 1, 2010, for

1 which the credit would otherwise be allowable. The provisions of  
2 this subsection shall cease to be operative on July 1, 2011.  
3 Beginning July 1, 2011, the credit authorized by this section may be  
4 claimed for any event, transaction, investment, expenditure or other  
5 act occurring on or after July 1, 2011, according to the provisions  
6 of this section.

7 SECTION 4. This act shall become effective November 1, 2017.

8 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS  
9 February 15, 2017 - DO PASS AS AMENDED  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24