

**BILL SUMMARY**  
1<sup>st</sup> Session of the 56<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 1299</b>
<b>Version:</b>	<b>INT</b>
<b>Request Number:</b>	<b>5170</b>
<b>Author:</b>	<b>Rep. Sears</b>
<b>Date:</b>	<b>2/8/2017</b>
<b>Impact:</b>	<b>Tax Commission:</b>
	<b>\$0 Revenue Impact</b>
	<b>Minimal Administrative Cost</b>

**Research Analysis**

HB1299, as introduced, requires claimants of a tax credit for electricity generated by a zero emission facility to file an annual report summarizing the total amount of electric power produced each month from any and all facilities owned by the taxpayer in the state. A taxpayer that fails to submit the report by February 15 will have their name published on a list of non-filers on the Oklahoma Tax Commission website.

Prepared By: Quyen Do

**Fiscal Analysis**

From the Tax Commission:

Under current law entities that generate and sell electricity from zero-emission facilities are allowed an income tax credit for the electricity generated and sold. The credit is fifty one-hundredths of one cent (\$0.0050) for each kilowatt-hour of electricity generated and sold by zero-emission facilities.

This proposal would require, every taxpayer claiming the Credit for Electricity Generated by Zero-Emission Facilities for electricity generated on or after January 1, 2017<sup>1</sup>, to report annually to the Oklahoma Tax Commission the amount of electricity produced monthly during the prior calendar year for each type of device. The report shall include the amount of electric power produced each month by each zero emission device owned by the taxpayer, whether the device is related to solar energy, wind energy, hydroelectric power or geothermal energy. The annual reports are due to the Tax Commission by February 15 each year covering the electric power produced from zero emission facilities for the preceding calendar year with the first report being due in 2018.

This proposal would also require the Tax Commission to annually publish a list on the Tax Commission website<sup>2</sup> of every taxpayer claiming the Credit for Electricity Generated by Zero-Emission Facilities who fail to submit the annual report; as well as any other zero emission facility owner known to the Tax Commission, whether or not as a result of credits previously claimed, but who do not file the annual report.

Each year the Tax Commission would also be required to analyze the annual reports and prepare an estimate of the amount of credits either used to offset tax or refunded for the next fiscal year to the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives. This report would be required to be sent by April 15<sup>th</sup> after the February 15<sup>th</sup> deadline for the reports due.

No increase or decrease to income tax collections is anticipated as a result of this measure.

Prepared By: Mark Tygret

**Other Considerations**

None.

© 2017 Oklahoma House of Representatives, see Copyright Notice at [www.okhouse.gov](http://www.okhouse.gov)