

BILL SUMMARY
2nd Session of the 56th Legislature

Bill No.:	HB 2756
Version:	FA2
Request Number:	NA
Author:	Rep. Leslie Osborn
Date:	3/8/2018
Impact:	Tax Commission:
	No Change in FY-19 Collections

Research Analysis

Pending

Prepared By: House Research Staff

Fiscal Analysis

From the Tax Commission:

This measure proposes to:

- Extend the sunset date from tax year 2019 to tax year 2023.
- Extend the carryover period from five (5) to six (6) years.
- Impose a state wide cap of \$16 million effective for Tax year 2019. If the amount of claims for credits allowed reaches eighty percent (80%) of the total annual limit, the Tax Commission will notify the Office of the State Secretary of Energy and Environment.
- Change the credit calculation percentages to a weight calculation for vehicles. For the infrastructure component, credits generated after December 31, 2018 will be reduced from 75% to 45%.
- Include electric vehicles in the definition of "qualified clean-burning motor vehicle fuel property".
- Amend the credit amount of the vehicle component; it will no longer be 45% of the cost of the qualified clean-burning motor vehicle property, but will now be based on the weight of the vehicle as outlined below:

Vehicle Weight (lbs)	Maximum Credit Amount
Under 6,001	\$5,500
6,001 to 10,000	\$9,000
10,001 to 26,500	\$26,000
26,501 and above	\$50,000

The expenditure for tax year 2015 for this credit was \$15.2 million. There is no expectation that this amount will increase significantly in tax year 2017 which is the year the \$16 million cap is based. Therefore no short term impact is anticipated as a result of the cap.

For tax year 2019 it is expected that no change in income tax collections will occur

Prepared By: Mark Tygret

Other Considerations

None.

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