

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 56<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB893</b>
<b>Version:</b>	<b>PCS</b>
<b>Request Number:</b>	<b>10294</b>
<b>Author:</b>	<b>Rep. Sears</b>
<b>Date:</b>	<b>4/9/2018</b>
<b>Impact:</b>	<b>Please see previous summary of this measure</b>

**Research Analysis**

The proposed committee substitute for SB893 established an annual cap equal to \$500,000 for the zero-emission facilities electricity production tax credit effective tax year 2019. The cap is only applicable to credits that are earned from electricity produced by means of water, sun or geothermal energy. The measure directs the Oklahoma Tax Commission to use a percentage adjustment formula to determine a percentage by which the credits authorized are to be reduced to satisfy the \$500,000 annual cap. In the event that the total tax credits authorized exceed the annual cap, the commission will permit any excess, but must factor the excess into the percentage adjustment formula for subsequent years. Unused credits may be carried over until they are fully used. The measure also directs the Oklahoma Tax Commission to submit an annual report to the Secretary of Energy and Environment, the Governor and Legislature summarizing the amount of credits allowed with recommendations for changes to the credit.

Prepared By: Quyen Do

**Fiscal Analysis**

The measure is currently under review and impact information will be completed.

Prepared By: Mark Tygret

**Other Considerations**

None.