

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

SENATE BILL 1800

By: Bice

AS INTRODUCED

An Act relating to income tax; creating income tax credit for donations to vision research institutes; limiting amount of credit; providing formula for adjustment of credit percentage under specified circumstance; defining term; limiting use of credit to reduce tax liability; authorizing Oklahoma Tax Commission to prescribe forms; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.406 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. 1. For tax years beginning on or after January 1, 2021, there shall be allowed against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes, a credit for any taxpayer who makes a donation to a vision research institute.

2. The credit authorized by paragraph 1 of this subsection shall be limited as follows:

a. the credit percentage, not to exceed fifty percent (50%) of the donation amount, shall be adjusted

- 1 annually so that the total estimate of the credits  
2 does not exceed Five Hundred Thousand Dollars  
3 (\$500,000.00) annually. The formula to be used for  
4 the percentage adjusted shall be fifty percent (50%)  
5 times Five Hundred Thousand Dollars (\$500,000.00)  
6 divided by the credits claimed in the preceding year  
7 for each donation to a vision research institute,  
8 b. in no event shall the credit exceed One Thousand  
9 Dollars (\$1,000.00) for each taxpayer for each tax  
10 year,  
11 c. in the event the total tax credits authorized by this  
12 section exceed Five Hundred Thousand Dollars  
13 (\$500,000.00) in any calendar year, the Oklahoma Tax  
14 Commission shall permit any excess over Five Hundred  
15 Thousand Dollars (\$500,000.00) but shall factor such  
16 excess into the percentage adjustment formula for  
17 subsequent years.
- 18 3. a. For purposes of this section, "vision research  
19 institute" means:  
20 (1) an organization which is exempt from taxation  
21 pursuant to the Internal Revenue Code with a  
22 focus on raising the standard of clinical vision  
23 care in Oklahoma through peer-reviewed vision  
24 research and education, or

1 (2) a not-for-profit supporting organization, as that  
2 term is defined by the Internal Revenue Code,  
3 affiliated with an organization described in  
4 subdivision 1 of subparagraph a of this  
5 paragraph.

6 b. The tax-exempt organization described in subdivision 1  
7 of subparagraph a of this paragraph shall:

- 8 (1) be either an independent research institute or an  
9 organization that is affiliated with a state  
10 university which is a member of The Oklahoma  
11 State System of Higher Education,  
12 (2) have a board of directors,  
13 (3) be able to accept donations in its own name or  
14 the name of its supporting organization,  
15 (4) be an identifiable institute that has its own  
16 employees and administrative staff, and  
17 (5) receive at least Two Million Dollars  
18 (\$2,000,000.00) in National Institutes of Health  
19 funding each year.

20 B. In no event shall the amount of the credit exceed the amount  
21 of any tax liability of the taxpayer.

22 C. The Tax Commission shall have the authority to prescribe  
23 forms for purposes of claiming the credit authorized by this  
24 section.

SECTION 2. This act shall become effective November 1, 2020.

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