

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 SENATE BILL 1800

By: Bice

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5
6 AS INTRODUCED

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

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

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

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

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

23 a. the credit percentage, not to exceed fifty percent
24 (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.

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

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