

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 58th Legislature (2022)

4 HOUSE BILL 3351

By: McCall, McBride and **Fugate**

7 AS INTRODUCED

8 An Act relating to revenue and taxation; defining
9 terms; creating tax credit for parent donations to
10 teachers; limiting credit amount per child; limiting
11 application of credit; authorizing carryover; setting
12 total annual credits cap; authorizing Oklahoma Tax
13 Commission to promulgate rules; providing for
14 codification; and providing an effective date.

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

16 SECTION 1. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 2357.501 of Title 68, unless
18 there is created a duplication in numbering, reads as follows:

19 A. As used in this section:

20 1. "Child" means a person under eighteen (18) years of age who
21 is enrolled part-time or full-time at a public preschool or a public
22 elementary or secondary school which is primarily used for classroom
23 instruction;

1 2. "Classroom teacher" means a person employed by a school
2 district to teach students specifically identified classes for
3 specifically identified subjects during the course of a semester,
4 and who holds a valid certificate or license issued by and in
5 accordance with the rules and regulations of the State Board of
6 Education; and

7 3. "Parent" means the natural or adoptive parent or legal
8 guardian of a child.

9 B. For taxable years beginning after December 31, 2022, there
10 shall be allowed a credit against the tax imposed pursuant to
11 Section 2355 of Title 68 of the Oklahoma Statutes in the amount of
12 one hundred percent (100%) of the total amount of monetary donations
13 made by a parent directly to his or her child's classroom teacher
14 during a taxable year.

15 C. The credit authorized pursuant to this section shall not
16 exceed One Thousand Dollars (\$1,000.00) per child per taxable year.

17 D. The credit authorized pursuant to this section may not be
18 used to reduce the tax liability of the taxpayer to less than zero
19 (0).

20 E. To the extent not used, the credit authorized by this
21 section may be carried over, in order, to each of the three (3)
22 subsequent taxable years.

23 F. The total credits authorized pursuant to this section for
24 all taxpayers shall not exceed Five Million Dollars (\$5,000,000.00)

1 annually. In the event the total tax credits authorized by this
2 section exceed Five Million Dollars (\$5,000,000.00) in any calendar
3 year, the Tax Commission shall permit any excess over Five Million
4 Dollars (\$5,000,000.00), but shall factor such excess into the
5 percentage adjustment formula for subsequent years. The Tax
6 Commission shall annually calculate and publish by the first day of
7 the affected year a percentage by which the credits authorized by
8 this section shall be reduced so the total amount of credits used to
9 offset tax does not exceed Five Million Dollars (\$5,000,000.00) per
10 year. The formula to be used for the percentage adjustment shall be
11 Five Million Dollars (\$5,000,000.00) divided by the credits claimed
12 in the second preceding year.

13 G. In consultation with the State Department of Education, the
14 Oklahoma Tax Commission shall promulgate rules necessary to
15 implement and administer the credit authorized in this section. The
16 rules shall include a process for a parent to anonymously make
17 monetary donations to his or her child's classroom teacher.

18 SECTION 2. This act shall become effective January 1, 2023.
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20 COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 02/08/2022 - DO PASS,
21 As Coauthored.
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