

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 58th Legislature (2021)

4 ENGROSSED SENATE
5 BILL NO. 893

 By: Pugh, Jett and Bergstrom of
 the Senate

6 and

7 Fetgatter and Rosecrants of
8 the House

9
10 **[income tax - credits for aerospace sector -**
11 **effective date]**

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

15 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.301, as
16 amended by Section 1, Chapter 30, O.S.L. 2014 (68 O.S. Supp. 2020,
17 Section 2357.301), is amended to read as follows:

18 Section 2357.301. As used in Sections 2357.301 through 2357.304
19 of this title:

20 1. "Aerospace sector" means a private or public organization
21 engaged in the manufacture of aerospace or defense hardware or
22 software, aerospace maintenance, aerospace repair and overhaul,
23 supply of parts to the aerospace industry, provision of services and
24 support relating to the aerospace industry, research and development

1 of aerospace technology and systems, and the education and training
2 of aerospace personnel;

3 2. "Compensation" means payments in the form of contract labor
4 for which the payor is required to provide a Form 1099 to the person
5 paid, wages subject to withholding tax paid to a part-time employee
6 or full-time employee, or salary or other remuneration.

7 Compensation shall not include employer-provided retirement, medical
8 or health-care benefits, reimbursement for travel, meals, lodging or
9 any other expense;

10 3. "Institution" means an institution within The Oklahoma State
11 System of Higher Education or any other public or private college or
12 university that is accredited by a national accrediting body;

13 4. "Qualified employer" means a sole proprietor, general
14 partnership, limited partnership, limited liability company,
15 corporation, other legally recognized business entity, or public
16 entity whose principal business activity involves the aerospace
17 sector;

18 5. "Qualified employee" means any person, regardless of the
19 date of hire, employed in this state by or contracting in this state
20 with a qualified employer on or after January 1, 2009, ~~who has been~~
21 ~~awarded an undergraduate or graduate degree from a qualified program~~
22 ~~by an institution, and~~ who was not employed in the aerospace sector
23 in this state immediately preceding employment or contracting with a
24 qualified employer, and who has been either:

- 1 a. awarded an undergraduate or graduate degree from a
2 qualified program by an institution, or
3 b. licensed as a Professional Engineer by the State Board
4 of Licensure for Professional Engineers and Land
5 Surveyors pursuant to Section 475.15 of Title 59 of
6 the Oklahoma Statutes.

7 Provided, the definition shall not be interpreted to exclude any
8 person who was employed in the aerospace sector, but not as a full-
9 time engineer, prior to being awarded an undergraduate or graduate
10 degree from a qualified program by an institution or any person who
11 has been awarded an undergraduate or graduate degree from a
12 qualified program by an institution and is employed by a
13 professional staffing company and assigned to work in the aerospace
14 sector in this state;

15 6. "Qualified program" means a program at an institution that
16 includes a graduate or undergraduate program that has been
17 accredited by the Engineering Accreditation Commission of the
18 Accreditation Board for Engineering and Technology (ABET) and that
19 awards an undergraduate or graduate degree. Both the undergraduate
20 and graduate programs of the same discipline of engineering at an
21 institution shall be part of the qualified program if either program
22 is ABET accredited; and

23 7. "Tuition" means the average annual amount paid by a
24 qualified employee for enrollment and instruction in a qualified

1 program. Tuition shall not include the cost of books, fees or room
2 and board.

3 SECTION 2. This act shall become effective November 1, 2021.
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5 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
6 04/15/2021 - DO PASS, As Amended.
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