

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1686

By: Stephens

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5  
6 AS INTRODUCED

7 An Act relating to income tax credit; providing a  
8 credit for certain adoption related expenses;  
9 providing refundability of credit; limiting amount of  
10 credit; authorizing the Oklahoma Tax Commission to  
11 promulgate rules and prescribe form for verification;  
12 providing for codification; and providing an  
13 effective date.

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

15 SECTION 1. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 2358.13 of Title 68, unless  
17 there is created a duplication in numbering, reads as follows:

18 A. For tax year 2023 and subsequent tax years, there shall be  
19 allowed a credit against the tax imposed pursuant to Section 2355 of  
20 Title 68 of the Oklahoma Statutes in an amount equal to fifty  
21 percent (50%) of adoption related costs to adoptive parents of a  
22 resident of this state or a child born to a resident of this state  
23 that results in the filing of a certificate of decree of adoption,  
24 after the effective date of this act, as provided in Section 7505-  
6.6 of Title 10 of the Oklahoma Statutes. Adoption related costs

1 shall include relevant court fees, fees paid to adoption service  
2 agencies, prenatal and natal medical expenses of the biological  
3 mother pursuant to an adoption agreement, and costs for home study  
4 as may be required pursuant to Section 7505-5.1 of Title 10 of the  
5 Oklahoma Statutes.

6 B. If the credit provided in this section exceeds the tax  
7 imposed by Section 2355 of Title 68 of the Oklahoma Statutes, the  
8 excess amount shall be refunded to the taxpayer. The credit  
9 provided in this section shall not exceed Five Thousand Dollars  
10 (\$5,000.00) for each certificate of decree of adoption.

11 C. The total amount of credits authorized by this section used  
12 to offset tax shall be adjusted annually to limit the annual amount  
13 of credits to Five Million Dollars (\$5,000,000.00). The Oklahoma  
14 Tax Commission shall annually calculate and publish a percentage by  
15 which the credits authorized by this section shall be reduced so the  
16 total amount of credits used to offset tax does not exceed Five  
17 Million Dollars (\$5,000,000.00) per year. The formula to be used  
18 for the percentage adjustment shall be Five Million Dollars  
19 (\$5,000,000.00) divided by the credits claimed in the second  
20 preceding year.

21 D. The Oklahoma Tax Commission may promulgate rules or  
22 prescribe forms to verify costs and taxpayer qualification for the  
23 credit provided in this section.

1 SECTION 2. This act shall become effective November 1, 2022.

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