

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 SENATE BILL 249

By: Montgomery

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5  
6 AS INTRODUCED

7 An Act relating to income tax credit; amending 68  
8 O.S. 2011, Section 2357.43, as amended by Section 1,  
9 Chapter 341, O.S.L. 2016 (68 O.S. Supp. 2020, Section  
10 2357.43), which relates to the earned income tax  
11 credit; updating language; modifying computation of  
12 credit during specified time periods; providing for  
13 refund of excess credit at specified amounts during  
14 certain time periods; and providing an effective  
15 date.

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

17 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.43, as  
18 amended by Section 1, Chapter 341, O.S.L. 2016 (68 O.S. Supp. 2020,  
19 Section 2357.43), is amended to read as follows:

20 Section 2357.43. ~~For tax years beginning after December 31,~~  
21 ~~2001~~ A. For tax years 2002 through 2025, there shall be allowed to  
22 a resident individual or a part-year resident individual as a credit  
23 against the tax imposed by Section 2355 of this title five percent  
24 (5%), and for tax year 2025 and subsequent tax years, seven and one-  
half percent (7.5%), of the earned income tax credit allowed under  
Section 32 of the Internal Revenue Code of the United States, 26

1 U.S.C., Section 32. However, this credit shall not be paid in  
2 advance pursuant to the provisions of Section 3507 of the Internal  
3 Revenue Code. ~~For tax years which begin before January 1, 2016, if~~

4 B. If the credit exceeds the tax imposed by Section 2355 of  
5 this title, the excess amount shall be refunded to the taxpayer  
6 subject to the following schedule:

7 1. For tax years before 2016, one hundred percent (100%);

8 2. For tax years 2016 through 2020, zero percent (0%);

9 3. For the tax year 2021, fifty percent (50%); and

10 4. For the tax year 2022, and all subsequent tax years, one  
11 hundred percent (100%). The maximum earned income tax credit

12 allowable on the Oklahoma income tax return shall be prorated on the  
13 ratio that Oklahoma adjusted gross income bears to the federal  
14 adjusted gross income.

15 SECTION 2. This act shall become effective November 1, 2021.

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