

**Bill Summary**  
1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 609</b>
<b>Version:</b>	<b>CCR</b>
<b>Request No.:</b>	<b>2169</b>
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<b>Date:</b>	<b>05/18/2021</b>

**Bill Analysis**

SB 609 provides that the minimum investment into real property must be valued at a minimum of \$500,000.00 to qualify for the investment income tax exemption during calendar year 2022. The amount shall increase annually based on the previous year's increase in the Consumer Price Index-All Urban Consumers. To qualify for the exemption using newly created jobs, the measure requires corporations to maintain an average annualized wage which equals or exceeds the average wage requirement in the Oklahoma Quality Jobs Program Act for the year in which the real or personal property was placed into service, depending on location. Additionally, the measure expands eligibility for the program to include facilities engaged in the manufacturing, compounding, processing or fabrication of materials into articles of tangible personal property.

The measure also modifies the definition of facility and facilities to specify that the land, buildings, structures, and improvements must be used directly and exclusively in the manufacturing process. Effective January 1, 2022, and for each calendar year thereafter, for establishments with a manufacturer exemption permit and facilities engaged in manufacturing activities classified in the NAICS Manual under Industry numbers 311111 through 339999, facility and facilities also includes machinery, fixtures, equipment, and other personal property used directly and exclusively in the manufacturing process. The measure specifies that districts that are wholly or partially comprised or become comprised of industries operating under NAICS code 518210 shall not be subject to certain findings requirements.

**CCR Changes**

The Conference Committee Report for SB 609 adds language modifying the definition of facility and facilities. Additionally, the measure also provides that facility and facilities also includes machinery, fixtures, equipment, and other personal property used directly and exclusively in the manufacturing process.

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