

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 1497 By: Garvin of the Senate
3 and
4 Archer and of the House
5
6
7

8 An Act relating to income tax credit; amending 68
9 O.S. 2021, Section 2357.45, which relates to credit
10 for donations to certain research institutes;
11 modifying credit limit for certain institute in
12 certain tax years; modifying credit limit for
13 taxpayer in certain tax years; modifying definition;
14 updating statutory reference; updating statutory
15 language; and providing an effective date.

16
17 AUTHOR: Add the following House Coauthors: Lepak, Munson, and
18 Pittman

19
20 AMENDMENT NO. 1. Strike the title, enacting clause, and entire bill
21 and insert:

22 "An Act relating to revenue and taxation; amending 68
23 O.S. 2021, Section 2357.45, which relates to income
24 tax credits for donations to certain research
institutes; modifying credit limit for certain
institute in certain tax years; modifying credit
amounts; modifying definition; and providing an
effective date.

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

2 SECTION 1. AMENDATORY 68 O.S. 2021, Section 2357.45, is
3 amended to read as follows:

4 Section 2357.45 A. 1. For tax years beginning after December
5 31, 2004, there shall be allowed against the tax imposed by Section
6 2355 of this title, a credit for any taxpayer who makes a donation
7 to an independent biomedical research institute and for tax years
8 beginning after December 31, 2010, a credit for any taxpayer who
9 makes a donation to a cancer research institute.

10 2. The credit authorized by paragraph 1 of this subsection
11 shall be limited as follows:

12 a. ~~for calendar year 2007 and all subsequent years~~ tax
13 years 2007 through 2024, the credit percentage, not to
14 exceed fifty percent (50%), shall be adjusted annually
15 so that the total estimate of the credits does not
16 exceed Two Million Dollars (\$2,000,000.00) annually.
17 The formula to be used for the percentage adjusted
18 shall be fifty percent (50%) times One Million Dollars
19 (\$1,000,000.00) divided by the credits claimed in the
20 preceding year for each donation to an independent
21 biomedical research institute and fifty percent (50%)
22 times One Million Dollars (\$1,000,000.00) divided by
23 the credits claimed in the preceding year for each
24 donation to a cancer research institute,

1 biomedical research institute and one credit for
2 a donation to a cancer research institute in each
3 taxable year nor for tax years 2005 through 2024
4 shall the credit exceed One Thousand Dollars
5 (\$1,000.00) for each taxpayer ~~for each type of~~
6 ~~donation~~ and for tax year 2025 and subsequent tax
7 years, the credit for donating to a cancer
8 research institute shall not exceed One Thousand
9 Dollars (\$1,000.00) for single filers and married
10 filing separate, Two Thousand Dollars (\$2,000.00)
11 for married filing joint, head of household, or
12 qualifying widow, or
13 (2) for tax year 2025 and subsequent tax years, the
14 credit for donations to any independent
15 biomedical research institute shall not exceed
16 One Thousand Dollars (\$1,000.00) for single
17 filers and married filing separate, Two Thousand
18 Dollars (\$2,000.00) for married filing joint,
19 head of household, and qualifying widow, and
20 Twenty-five Thousand Dollars (\$25,000.00) for any
21 taxpayer that is a business entity formed under
22 the laws of any state, including limited and
23 general partnerships, corporations, and limited
24 liability companies,

- 1 e. ~~for tax year 2011, no more than Fifty Thousand Dollars~~
2 ~~(\$50,000.00) in total tax credits for donations to a~~
3 ~~cancer research institute shall be allowed,~~
- 4 d. ~~in no event shall more than fifty percent (50%) of the~~
5 ~~Two Million Dollars (\$2,000,000.00) in total tax~~
6 ~~credits authorized by this section, for any calendar~~
7 ~~year after the effective date of this act, be~~
8 ~~allocated for credits for donations to a cancer~~
9 ~~research institute, and~~
- 10 e. for tax year 2025 and subsequent tax years, in the
11 event the total tax credits authorized by this section
12 exceed ~~One Million Dollars (\$1,000,000.00) in any~~
13 ~~calendar year~~ Five Hundred Thousand Dollars
14 (\$500,000.00) for ~~either~~ a cancer research institute
15 or One Million Five Hundred Thousand Dollars
16 (\$1,500,000.00) for an independent biomedical research
17 institute, the Oklahoma Tax Commission shall permit
18 any excess over ~~One Million Dollars (\$1,000,000.00)~~
19 the applicable limitation amount but shall factor such
20 excess into the percentage adjustment formula for
21 subsequent years for ~~that~~ the applicable type of
22 donation. However, any such adjustment to the formula
23 for donations to an independent biomedical research
24 institute shall not affect the formula for donations

1 to a cancer research institute, and any such
2 adjustment to the formula for donations to a cancer
3 research institute shall not affect the formula for
4 donations to an independent biomedical research
5 institute.

6 3. For purposes of this section, "independent biomedical
7 research institute" means an organization in this state which is
8 exempt from taxation pursuant to the provisions of Section 501(c)(3)
9 of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) whose
10 primary focus is conducting peer-reviewed basic biomedical research.

11 The organization shall:

- 12 a. have a board of directors,
- 13 b. be able to accept grants in its own name,
- 14 c. be an identifiable institute that has its own
15 employees and administrative staff, and
- 16 d. receive at least ~~Fifteen Million Dollars~~
17 ~~(\$15,000,000.00)~~ Twenty Million Dollars
18 (\$20,000,000.00) in National ~~Institute~~ Institutes of
19 Health funding each year.

20 4. For purposes of this section, "cancer research institute"
21 means an organization which is exempt from taxation pursuant to the
22 Internal Revenue Code and whose primary focus is raising the
23 standard of cancer clinical care in Oklahoma through peer-reviewed
24 cancer research and education or a not-for-profit supporting

1 organization, as that term is defined by the Internal Revenue Code,
2 affiliated with a tax-exempt organization whose primary focus is
3 raising the standard of cancer clinical care in Oklahoma through
4 peer-reviewed cancer research and education. The tax-exempt
5 organization whose primary focus is raising the standard of cancer
6 clinical care in Oklahoma through peer-reviewed cancer research and
7 education shall:

8 a. either be an independent research institute or a
9 program that is part of a state university which is a
10 member of The Oklahoma State System of Higher
11 Education, and

12 b. receive at least Four Million Dollars (\$4,000,000.00)
13 in National Cancer Institute funding each year.

14 B. In no event shall the amount of the credit exceed the amount
15 of any tax liability of the taxpayer.

16 C. Any credits allowed but not used in any tax year may be
17 carried over, in order, to each of the four (4) years following the
18 year of qualification.

19 D. The Tax Commission shall have the authority to prescribe
20 forms for purposes of claiming the credit authorized by this
21 section.

22 SECTION 2. This act shall become effective November 1, 2024."
23
24

1 ENGROSSED SENATE
2 BILL NO. 1497

By: Garvin of the Senate

3 and

4 Archer of the House

5
6 An Act relating to income tax credit; amending 68
7 O.S. 2021, Section 2357.45, which relates to credit
8 for donations to certain research institutes;
9 modifying credit limit for certain institute in
10 certain tax years; modifying credit limit for
11 taxpayer in certain tax years; modifying definition;
12 updating statutory reference; updating statutory
13 language; and providing an effective date.

10

11

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

13 SECTION 3. AMENDATORY 68 O.S. 2021, Section 2357.45, is
14 amended to read as follows:

15 Section 2357.45. A. 1. For tax years beginning after December
16 31, 2004, there shall be allowed against the tax imposed by Section
17 2355 of this title, a credit for any taxpayer who makes a donation
18 to an independent biomedical research institute and for tax years
19 beginning after December 31, 2010, a credit for any taxpayer who
20 makes a donation to a cancer research institute.

21 2. The credit authorized by paragraph 1 of this subsection
22 shall be limited as follows:

23 a. ~~for ealendar year 2007 and all subsequent years tax~~
24 years 2007 through 2024, the credit percentage, not to

1 exceed fifty percent (50%), shall be adjusted annually
2 so that the total estimate of the credits does not
3 exceed Two Million Dollars (\$2,000,000.00) annually.
4 The formula to be used for the percentage adjusted
5 shall be fifty percent (50%) times One Million Dollars
6 (\$1,000,000.00) divided by the credits claimed in the
7 preceding year for each donation to an independent
8 biomedical research institute and fifty percent (50%)
9 times One Million Dollars (\$1,000,000.00) divided by
10 the credits claimed in the preceding year for each
11 donation to a cancer research institute,

12 b. for tax year 2025 and subsequent tax years, the credit
13 percentage, not to exceed fifty percent (50%), shall
14 be adjusted annually so that the total estimate of the
15 credits does not exceed One Million Five Hundred
16 Thousand Dollars (\$1,500,000.00) annually for
17 donations to independent biomedical research
18 institutes. The formula to be used for the percentage
19 adjusted shall be fifty percent (50%) times One
20 Million Five Hundred Thousand Dollars (\$1,500,000.00)
21 divided by the credits claimed in the preceding year
22 for each donation to an independent biomedical
23 research institute,

1 c. for tax year 2025 and subsequent tax years, the credit
2 percentage, not to exceed fifty percent (50%), shall
3 be adjusted annually so that the total estimate of the
4 credits does not exceed One Million Dollars
5 (\$1,000,000.00) annually for donations to cancer
6 research institutes. The formula to be used for the
7 percentage adjusted shall be fifty percent (50%) times
8 One Million Dollars (\$1,000,000.00) divided by the
9 credits claimed in the preceding year for each
10 donation to a cancer research institute,

11 d. in no event shall a taxpayer claim more than one
12 credit for a donation to any independent biomedical
13 research institute and one credit for a donation to a
14 cancer research institute in each taxable year nor
15 shall the credit exceed One Thousand Dollars
16 (\$1,000.00) for each taxpayer for tax years 2005
17 through 2024, and One Thousand Dollars (\$1,000.00) for
18 single filers and married filing separate, Two
19 Thousand Dollars (\$2,000.00) for married filing joint,
20 head of household, qualifying widow, and for any
21 taxpayer that is a business entity formed under the
22 laws of any state, including limited and general
23 partnerships, corporations, and limited liability
24 companies, for tax year 2025 and subsequent tax years,

1 for ~~each type of the~~ donation to a cancer research
2 institute. For tax year 2025 and subsequent tax
3 years, the credit shall not exceed One Thousand
4 Dollars (\$1,000.00) for single filers and married
5 filing separate, Two Thousand Dollars (\$2,000.00) for
6 married filing joint, head of household, and
7 qualifying widow, and Twenty-five Thousand Dollars
8 (\$25,000.00) for any taxpayer that is a business
9 entity formed under the laws of any state, including
10 limited and general partnerships, corporations, and
11 limited liability companies for donations to any
12 independent biomedical research institute,

13 ~~e.~~ e. for tax year 2011, no more than Fifty Thousand
14 Dollars (\$50,000.00) in total tax credits for
15 donations to a cancer research institute shall be
16 allowed,

17 ~~d.~~ f. in no event shall more than fifty percent (50%) of
18 the ~~Two Million Dollars (\$2,000,000.00)~~ in total tax
19 credits authorized by this section, for any calendar
20 year after ~~the effective date of this act~~ January 1,
21 2011, be allocated for credits for donations to a
22 cancer research institute, and

23 ~~e.~~ g. in the event the total tax credits authorized by this
24 section exceed One Million Dollars (\$1,000,000.00) in

1 any ~~calendar~~ year for ~~either~~ a cancer research
2 institute or One Million Dollars (\$1,000,000.00) for
3 tax years 2011 through 2024, and One Million Five
4 Hundred Thousand Dollars (\$1,500,000.00) for tax year
5 2025 and subsequent tax years for an independent
6 biomedical research institute, the Oklahoma Tax
7 Commission shall permit any excess ~~over One Million~~
8 Dollars ~~(\$1,000,000.00)~~ but shall factor such excess
9 into the percentage adjustment formula for subsequent
10 years for that type of donation. However, any such
11 adjustment to the formula for donations to an
12 independent biomedical research institute shall not
13 affect the formula for donations to a cancer research
14 institute, and any such adjustment to the formula for
15 donations to a cancer research institute shall not
16 affect the formula for donations to an independent
17 biomedical research institute.

18 3. For purposes of this section, "independent biomedical
19 research institute" means an organization in this state which is
20 exempt from taxation pursuant to the provisions of Section 501(c)(3)
21 of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) whose
22 primary focus is conducting peer-reviewed basic biomedical research.
23 The organization shall:

24 a. have a board of directors,

- b. be able to accept grants in its own name,
- c. be an identifiable institute that has its own employees and administrative staff, and
- d. receive at least ~~Fifteen Million Dollars~~ Twenty Million Dollars ~~(\$15,000,000.00)~~ (\$20,000,000.00) in National ~~Institute~~ Institutes of Health funding each year.

4. For purposes of this section, "cancer research institute" means an organization which is exempt from taxation pursuant to the Internal Revenue Code and whose primary focus is raising the standard of cancer clinical care in Oklahoma through peer-reviewed cancer research and education or a not-for-profit supporting organization, as that term is defined by the Internal Revenue Code, affiliated with a tax-exempt organization whose primary focus is raising the standard of cancer clinical care in Oklahoma through peer-reviewed cancer research and education. The tax-exempt organization whose primary focus is raising the standard of cancer clinical care in Oklahoma through peer-reviewed cancer research and education shall:

- a. either be an independent research institute or a program that is part of a state university which is a member of The Oklahoma State System of Higher Education, and

