

BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	HB3426
Version:	INT
Request Number:	8852
Author:	Archer
Date:	2/9/2024
Impact:	FY25: Potential unknown decrease FY26: Potential unknown decrease

Research Analysis

HB3426, as introduced, restores a tax credit for investments in a qualified space transportation vehicle provider until tax year 2029. The tax credit was previously in effect from 2001 through December 31, 2008. The credit may be claimed against income tax or insurance premium tax and is transferrable.

A qualifying space vehicle provider is a corporation or LLC organized and headquartered in the state that is engaged in the production of commercial space transportation vehicles. The provider must also have an equity capitalization of at least \$20 million and at least \$1 million in funding commitments from a local government entity.

Prepared By: Quyen Do

Fiscal Analysis

As introduced, HB 3426 proposes to amend 68 O.S. § 2357.42, relating to the Space Vehicle Provider Incentive by reauthorizing the tax credit for tax years 2024 through 2029. The tax credit was in effect from 2001 through December 31, 2008. This measure also increases the equity capitalization requirement for eligible space vehicle providers from \$10 million to \$20 million, and decreases the local government commitment from \$15 million to \$1 million.

Analysis by the Oklahoma Tax Commission:

REVENUE IMPACT: The total amount of credits that can be awarded is capped at \$30 million, and credits are allocated chronologically based on when eligibility is certified until the cap is exhausted. The specific amount and timing of investments in qualified space transportation vehicle providers remain unknown. Also, the amount of credits which may be claimed against income tax as opposed to insurance premium tax is unknown.

FY 25: Potential unknown decrease in tax collections.

FY 26: Potential unknown decrease in tax collections.

Prepared By: Zach Penrod

Other Considerations

None.

