

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

SENATE BILL 1083

By: Jett

AS INTRODUCED

An Act relating to income tax credit; providing credit for certain educational choice expenses and qualifying educational expenses of dependents; providing qualifications for certain credit; limiting amount of credit claimed; providing for carryover for certain credit amount; prohibiting itemized deductions of expenses claimed as credit; authorizing Oklahoma Tax Commission to require certain documentation; prohibiting requirement that certain schools or organizations provide documents; defining terms; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.207 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For tax year 2024 and subsequent tax years, there shall be allowed for any taxpayer a credit against the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes for educational choice expenses incurred during the tax year for taxpayers with a child who:

1. Is eligible to be enrolled in a public school in this state;

1 2. Qualifies as the taxpayer's dependent for federal tax  
2 purposes; and

3 3. Is enrolled in a public school, charter school, private  
4 school, or private educational program that can be used to satisfy  
5 the state's compulsory school attendance requirements that is not  
6 affiliated with the student's resident district, as determined by  
7 Section 1-113 of Title 70 of the Oklahoma Statutes.

8 B. For tax year 2024 and subsequent tax years, there shall be  
9 allowed a credit against the tax imposed by Section 2355 of Title 68  
10 of the Oklahoma Statutes for qualifying educational expenses  
11 incurred during the tax year for any taxpayer that has a child who  
12 qualifies as the taxpayer's dependent for federal tax purposes and  
13 is eligible to be enrolled in a public school in this state.

14 C. The maximum tax credit allowable for each taxable year, as  
15 provided for in subsections A and B of this subsection, shall be Two  
16 Thousand Five Hundred Dollars (\$2,500.00) for each qualifying  
17 dependent.

18 D. If the amount of the allowable credit pursuant to  
19 subsections A and B of this section exceeds the maximum allowable  
20 credit pursuant to subsection C of this section, such excess may be  
21 carried over, in order, to each of the two (2) subsequent tax years.

22 E. Amounts claimed under this section shall not also be  
23 itemized as deductions for the same tax year when computing Oklahoma  
24 taxable income.

1 F. The Oklahoma Tax Commission is authorized to require the  
2 taxpayer to submit with the tax return copies of such receipts or  
3 similar financial documentation as may be necessary to confirm the  
4 taxpayer's statement of the allowable credit. Provided, no school  
5 or other educational organization shall be required to provide  
6 documentation or otherwise act to verify eligibility for credits  
7 under this act.

8 G. As used in this section:

9 1. "Academic instruction" means instruction in reading,  
10 writing, mathematics, science, history, art, music, geography,  
11 civics, economics, literature, philosophy, religion, foreign  
12 languages, and related subjects;

13 2. "Close relatives" refers to a person's children,  
14 grandchildren, mother, father, brothers, sisters, aunts, or uncles  
15 whether by blood, marriage, or adoption;

16 3. "Educational choice expenses" means tuition and fees for  
17 enrollment of the child in a school or a private educational program  
18 not affiliated with the public school district in which the  
19 taxpayer's primary residence is located;

20 4. "Qualifying educational expenses" include:

21 a. tuition and fees for concurrent enrollment as  
22 described in Section 628.13 of Title 70 of the  
23 Oklahoma Statutes for a student who meets the  
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1 requirements set forth in subsection C of that  
2 section,

3 b. tuition and other instructional fees charged by a  
4 qualified school,

5 c. costs associated with activities at a qualified  
6 school, including the cost of fees, clothing, and  
7 equipment required to participate in athletic teams,  
8 musical groups, clubs, or similar school activities,

9 d. tuition and other instructional fees charged for  
10 tutoring, private instruction, or remedial education  
11 services for the purposes of academic instruction and  
12 not provided by a close relative,

13 e. costs associated with the provision of instruction by  
14 other means in prekindergarten through grade twelve  
15 directed by the parent or guardian including the cost  
16 of computer equipment, software, online instruction,  
17 cooperative educational programs, textbooks,  
18 workbooks, curricula, and other written materials used  
19 primarily for academic instruction, and

20 f. costs associated with activities comparable to those  
21 defined in subparagraph c of this paragraph for a  
22 student being educated by other means in  
23 prekindergarten through grade twelve directed by the  
24 parent or guardian; and

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5. "Qualified school" means either a public elementary or secondary school or a private educational program that can be used to satisfy the state's compulsory school attendance requirements.

SECTION 2. This act shall become effective November 1, 2023.

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