

**COMMITTEE AMENDMENT**  
HOUSE OF REPRESENTATIVES  
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB3590 \_\_\_\_\_ Of the printed Bill  
Page \_\_\_\_\_ Section \_\_\_\_\_ Lines \_\_\_\_\_  
\_\_\_\_\_  
Of the Engrossed Bill

By deleting the content of the entire measure, and by inserting in lieu  
thereof the following language:

**AMEND TITLE TO CONFORM TO AMENDMENTS**

Adopted: \_\_\_\_\_

Amendment submitted by: Mark Lepak

\_\_\_\_\_  
Reading Clerk

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 PROPOSED COMMITTEE  
SUBSTITUTE  
4 FOR  
HOUSE BILL NO. 3590

5 By: Lepak

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10 PROPOSED COMMITTEE SUBSTITUTE

11 An Act relating to revenue and taxation; amending 68  
12 O.S. 2021, Section 2357.206, as amended by Section 1,  
13 Chapter 49, O.S.L. 2022 (68 O.S. Supp. 2025, Section  
14 2357.206), which relates to the Oklahoma Equal  
15 Opportunity Education Scholarship Act; increasing  
16 credit amount allowed for single individuals, married  
17 individuals filing jointly, and legal business  
18 entities; increasing credit amount for taxpayers who  
19 contribute the same amount for an additional year;  
20 modifying definition of eligible student; removing  
21 federal law reference and replacing with Oklahoma  
22 authority; modifying definition of low-income  
23 eligible student; authorizing scholarship payments to  
24 be made via secure electronic funds transfer;  
modifying definition of annual revenue; requiring  
certain annual reporting requirements to be  
disaggregated into certain adjusted gross income  
categories; and providing an effective date.

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

1 SECTION 1. AMENDATORY 68 O.S. 2021, Section 2357.206, as  
2 amended by Section 1, Chapter 49, O.S.L. 2022 (68 O.S. Supp. 2025,  
3 Section 2357.206), is amended to read as follows:

4 Section 2357.206. A. This act shall be known and may be cited  
5 as the "Oklahoma Equal Opportunity Education Scholarship Act".

6 B. 1. Except as provided in subsection G of this section, on  
7 or after August 26, 2011 January 1, 2027, there shall be allowed a  
8 credit for any taxpayer who makes a contribution to an eligible  
9 scholarship-granting organization.

10 The credit shall be equal to fifty percent (50%) of the total  
11 amount of contributions made during a taxable year, not to exceed  
12 One Thousand Dollars (\$1,000.00) Five Thousand Dollars (\$5,000.00)  
13 for single individuals, Two Thousand Dollars (\$2,000.00) Ten  
14 Thousand Dollars (\$10,000.00) for married individuals filing  
15 jointly, or One Hundred Thousand Dollars (\$100,000.00) Two Hundred  
16 Fifty Thousand Dollars (\$250,000.00) for any taxpayer which is a  
17 legal business entity including limited and general partnerships,  
18 corporations, subchapter S corporations and limited liability  
19 companies, plus any suspended credits pursuant to subparagraph d of  
20 paragraph 2 of subsection I of this section; provided, if total  
21 credits claimed pursuant to this paragraph exceed the cap amount  
22 established pursuant to paragraphs 1 and 2 of subsection E of this  
23 section, the credit shall be equal to the taxpayer's proportionate  
24

1 share of the cap for the taxable year, as determined pursuant to  
2 subsection I of this section.

3       2. For any taxpayer who makes a contribution to an eligible  
4 scholarship-granting organization and makes a written commitment to  
5 contribute the same amount for an additional year, the credit for  
6 the first year and the additional year shall be equal to ~~seventy-~~  
7 ~~five percent (75%)~~ one hundred percent (100%) of the total amount of  
8 the contribution made during a taxable year, not to exceed the  
9 amounts established in paragraph 1 of this subsection for the  
10 taxable year in which the credit provided in this subsection is  
11 claimed. The taxpayer shall provide evidence of the written  
12 commitment to the Oklahoma Tax Commission at the time of filing the  
13 refund claim.

14       3. The credits authorized pursuant to the provisions of this  
15 subsection shall be allocable to the partners, shareholders,  
16 members, or other equity owners of a taxpayer that is authorized to  
17 be treated as a partnership for purposes of federal income tax  
18 reporting for the taxable year for which the tax credits authorized  
19 by this subsection are claimed on the applicable return, together  
20 with required schedules, forms or reports of the partners,  
21 shareholders, members, or other equity owners of the taxpayer. Tax  
22 credits which are allocated to such equity owners shall only be  
23 limited in amount for the income tax return of a natural person or  
24 persons based upon the limitation of the total credit amount to the

1 entity from which the tax credits have been allocated and shall not  
2 be limited to ~~One Thousand Dollars (\$1,000.00)~~ Five Thousand Dollars  
3 (\$5,000.00) for single individuals or limited to ~~Two Thousand~~  
4 ~~Dollars (\$2,000.00)~~ Ten Thousand Dollars (\$10,000.00) for married  
5 persons filing a joint return.

6 4. On or before April 30, 2024, and once every two (2) years  
7 thereafter, such scholarship-granting organization and educational  
8 improvement grant organization shall electronically submit to the  
9 Oklahoma Tax Commission, the Governor, President Pro Tempore of the  
10 Senate, the Speaker of the House of Representatives, and the chairs  
11 and vice chairs of the education committees of the Senate and House  
12 of Representatives an audited financial statement for the  
13 organization along with information detailing the benefits,  
14 successes, or failures of the program, and make publicly available  
15 on its website the financial statement and information submitted  
16 pursuant to this paragraph.

17 C. 1. Except as provided in subsection G of this section, on  
18 or after August 26, 2011 January 1, 2027, there shall be allowed a  
19 credit for any taxpayer who makes a contribution to an eligible  
20 educational improvement grant organization. Except as otherwise  
21 provided by paragraph 2 of this subsection, the credit shall be  
22 equal to fifty percent (50%) of the total amount of contributions  
23 made during a taxable year, not to exceed ~~One Thousand Dollars~~  
24 ~~(\$1,000.00)~~ Five Thousand Dollars (\$5,000.00) for single

1 individuals, ~~Two Thousand Dollars (\$2,000.00)~~ Ten Thousand Dollars  
2 (\$10,000.00) for married individuals filing jointly, or ~~One Hundred~~  
3 ~~Thousand Dollars (\$100,000.00)~~ Two Hundred Fifty Thousand Dollars  
4 (\$250,000.00) for any taxpayer which is a legal business entity  
5 including limited and general partnerships, corporations, subchapter  
6 S corporations and limited liability companies, plus any suspended  
7 credits pursuant to subparagraph d of paragraph 2 of subsection I of  
8 this section; provided, if total credits claimed pursuant to this  
9 paragraph exceed the cap amount established pursuant to paragraphs 3  
10 and 4 of subsection E of this section, the credit shall be equal to  
11 the taxpayer's proportionate share of the cap for the taxable year,  
12 as determined pursuant to subsection I of this section.

13 2. For any taxpayer who makes a contribution to an eligible  
14 educational improvement grant organization and makes a written  
15 commitment to contribute the same amount for an additional year, the  
16 credit for the first year and the additional year shall be equal to  
17 ~~seventy-five percent (75%)~~ one hundred percent (100%) of the total  
18 amount of the contribution made during a taxable year, not to exceed  
19 the cap amount established in paragraphs 3 and 4 of subsection E of  
20 this section for the taxable year in which the credit provided in  
21 this paragraph is claimed; provided, if total credits claimed  
22 pursuant to this paragraph exceed the cap established pursuant to  
23 paragraphs 3 and 4 of subsection E of this section, the credit shall  
24 be equal to the taxpayer's proportionate share of the cap for the

1 taxable year, as determined pursuant to subsection I of this  
2 section. The taxpayer shall provide evidence of the written  
3 commitment to the Oklahoma Tax Commission at the time of filing the  
4 refund claim.

5       3. The credits authorized pursuant to the provisions of this  
6 subsection shall be allocable to the partners, shareholders,  
7 members, or other equity owners of a taxpayer that is authorized to  
8 be treated as a partnership for purposes of federal income tax  
9 reporting for the taxable year for which the tax credits authorized  
10 by this subsection are claimed on the applicable return, together  
11 with required schedules, forms, or reports of the partners,  
12 shareholders, members, or other equity owners of the taxpayer. Tax  
13 credits which are allocated to such equity owners shall only be  
14 limited in amount for the income tax return of a natural person or  
15 persons based upon the limitation of the total credit amount to the  
16 entity from which the tax credits have been allocated and shall not  
17 be limited to ~~One Thousand Dollars (\$1,000.00)~~ Five Thousand Dollars  
18 (\$5,000.00) for single individuals or limited to ~~Two Thousand~~  
19 ~~Dollars (\$2,000.00)~~ Ten Thousand Dollars (\$10,000.00) for married  
20 persons filing a joint return.

21       D. 1. For contributions made on or after January 1, 2022 2027,  
22 there shall be allowed a credit for any taxpayer who makes a  
23 contribution to an eligible public school foundation or public  
24 school district. Except as otherwise provided by paragraph 2 of

1 this subsection, the credit shall be equal to fifty percent (50%) of  
2 the total amount of contributions made during a taxable year, not to  
3 exceed ~~One Thousand Dollars (\$1,000.00)~~ Five Thousand Dollars  
4 (\$5,000.00) for single individuals, ~~Two Thousand Dollars (\$2,000.00)~~  
5 Ten Thousand Dollars (\$10,000.00) for married individuals filing  
6 jointly, or ~~One Hundred Thousand Dollars (\$100,000.00)~~ Two Hundred  
7 Fifty Thousand Dollars (\$250,000.00) for any taxpayer which is a  
8 legal business entity including limited and general partnerships,  
9 corporations, subchapter S corporations and limited liability  
10 companies; provided, if total credits claimed pursuant to this  
11 paragraph exceed the cap amount established pursuant to paragraph 4  
12 of subsection E of this section, the credit shall be equal to the  
13 taxpayer's proportionate share of the cap for the taxable year, as  
14 determined pursuant to subsection I of this section.

15 2. Except as otherwise provided by paragraph 1 of this  
16 subsection, for any taxpayer who makes a contribution to an eligible  
17 public school foundation or public school district and makes a  
18 written commitment to contribute the same amount for an additional  
19 year, the credit for the first year and the additional year shall be  
20 equal to ~~seventy-five percent (75%)~~ one hundred percent (100%) of  
21 the total amount of the contribution made during a taxable year, not  
22 to exceed the cap amount established in paragraph 4 of subsection E  
23 of this section for the taxable year in which the credit provided in  
24 this paragraph is claimed. The taxpayer shall provide evidence of

1 the written commitment to the Oklahoma Tax Commission at the time of  
2 filing the refund claim; provided, if total credits claimed pursuant  
3 to this paragraph exceed the cap amount established pursuant to  
4 paragraph 4 of subsection E of this section, the credit shall be  
5 equal to the taxpayer's proportionate share of the cap for the  
6 taxable year, as determined pursuant to subsection I of this  
7 section.

8       3. The credits authorized pursuant to the provisions of this  
9 subsection shall be allocable to the partners, shareholders,  
10 members, or other equity owners of a taxpayer that is authorized to  
11 be treated as a partnership for purposes of federal income tax  
12 reporting for the taxable year for which the tax credits authorized  
13 by this subsection are claimed on the applicable return, together  
14 with required schedules, forms, or reports of the partners,  
15 shareholders, members, or other equity owners of the taxpayer. Tax  
16 credits which are allocated to such equity owners shall only be  
17 limited in amount for the income tax return of a natural person or  
18 persons based upon the limitation of the total credit amount to the  
19 entity from which the tax credits have been allocated and shall not  
20 be limited to ~~One Thousand Dollars (\$1,000.00)~~ Five Thousand Dollars  
21 (\$5,000.00) for single individuals or limited to ~~Two Thousand~~  
22 ~~Dollars (\$2,000.00)~~ Ten Thousand Dollars (\$10,000.00) for married  
23 persons filing a joint return.

24

1       4. On or before April 30, 2024, and once every four (4) years  
2 thereafter, such eligible public school foundation and public school  
3 district shall submit to the Oklahoma Tax Commission, the Governor,  
4 President Pro Tempore of the Senate, and the Speaker of the House of  
5 Representatives an audited financial statement for the organization  
6 along with information detailing the benefits, successes, or  
7 failures of the programs.

8       E. Except as otherwise provided pursuant to subsection I of  
9 this section:

10      1. The total credits authorized pursuant to subsection B of  
11 this section for all taxpayers for tax years 2017 through 2021 shall  
12 not exceed Three Million Five Hundred Thousand Dollars  
13 (\$3,500,000.00) annually;

14      2. The total credits authorized pursuant to subsection B of  
15 this section for all taxpayers for tax years 2022 and subsequent tax  
16 years shall not exceed Twenty-five Million Dollars (\$25,000,000.00)  
17 annually;

18      3. The total credits authorized pursuant to subsection C of  
19 this section for all taxpayers for tax years 2017 through 2021 shall  
20 not exceed One Million Five Hundred Thousand Dollars (\$1,500,000.00)  
21 annually;

22      4. The total credits authorized pursuant to subsections C and D  
23 of this section for all taxpayers for tax year 2022 and subsequent  
24 tax years shall not exceed Twenty-five Million Dollars

1       (\$25,000,000.00) annually. In addition to the cap amount prescribed  
2 by this paragraph, the credit amount shall also be limited to Two  
3 Hundred Thousand Dollars (\$200,000.00) of credits per public school  
4 district annually; and

5           5. The cap on total credits provided for in this subsection  
6 shall be allocated by the Tax Commission as provided in subsection I  
7 of this section.

8           F. For credits claimed for eligible contributions made during  
9 tax year 2014 and thereafter, a credit shall not be allowed by the  
10 Oklahoma Tax Commission for contributions made to a scholarship-  
11 granting organization or an educational improvement grant  
12 organization if that organization's percentage of funds actually  
13 awarded is less than ninety percent (90%). For purposes of this  
14 section, the "percentage of funds actually awarded" shall be  
15 determined by dividing the total amount of funds actually awarded as  
16 educational scholarships or educational improvement grants over the  
17 most recent twenty-four (24) months by the total amount available to  
18 award as educational scholarships or educational improvement grants  
19 over the most recent twenty-four (24) months.

20           G. Any tax credits which are earned by a taxpayer pursuant to  
21 this section during the time period beginning August 26, 2011,  
22 through December 31, 2012, may not be claimed for any period prior  
23 to the taxable year beginning January 1, 2013. No credits which  
24 accrue during the time period beginning August 26, 2011, through

1 December 31, 2012, may be used to file an amended tax return for any  
2 taxable year prior to the taxable year beginning January 1, 2013.

3 H. As used in this section:

4 1. "Eligible student" means a child of school age who is  
5 lawfully present in the United States and who is a member of a  
6 household in which the total annual verified household adjusted  
7 gross income during the preceding tax year does not exceed an amount  
8 equal to three hundred percent (300%) of the ~~income standard used to~~  
9 ~~qualify for a free or reduced price school lunch~~ federal poverty  
10 level, as published annually by the United States Department of  
11 Health and Human Services or who, during the immediately preceding  
12 school year, attended or, by virtue of the location of such  
13 student's place of residence, was eligible to attend a public school  
14 in this state which has been identified for school improvement as  
15 determined by the State Board of Education pursuant to ~~the~~  
16 ~~requirements of the No Child Left Behind Act of 2001, P.L. No. 107-~~  
17 110 Section 1210.545 of Title 70 of the Oklahoma Statutes. Once a  
18 student has received an educational scholarship, as defined in  
19 paragraph 3 of this subsection, the student and any siblings who are  
20 members of the same household shall remain eligible until they  
21 graduate from high school or reach twenty-one (21) years of age,  
22 whichever occurs first;

23 2. "Eligible special needs student" means a child who has been  
24 provided services under an Individualized Family Service Plan

1 through the SoonerStart program and during transition was evaluated  
2 and determined to be eligible for school district services, a child  
3 of school age who has attended public school in our state with an  
4 individualized education program pursuant to the Individuals With  
5 Disabilities Education Act, 20 U.S.C.A., Section 1400 et seq., or a  
6 child who has been diagnosed by a clinical professional as having a  
7 significant disability that will affect learning and who has been  
8 approved by the board of a scholarship-granting organization;

9       3. "Educational scholarships" means:

10       a. scholarships to an eligible student of up to Five  
11                    Thousand Dollars (\$5,000.00) or eighty percent (80%)  
12                    of the statewide annual average per-pupil expenditure  
13                    as determined by the National Center for Education  
14                    Statistics, U.S. Department of Education, whichever is  
15                    greater, to cover all or part of the tuition, fees,  
16                    and transportation costs of a qualified school which  
17                    is accredited by the State Board of Education or an  
18                    accrediting association approved by the Board pursuant  
19                    to Section 3-104 of Title 70 of the Oklahoma Statutes,  
20        b. scholarships to an eligible student of up to Five  
21                    Thousand Dollars (\$5,000.00) or eighty percent (80%)  
22                    of the statewide annual average per-pupil expenditure  
23                    as determined by the National Center for Education  
24                    Statistics, U.S. Department of Education, whichever is

1 greater, to cover the educational costs of a qualified  
2 school which does not charge tuition, which enrolls  
3 special populations of students, and which is  
4 accredited by the State Board of Education or an  
5 accrediting association approved by the Board pursuant  
6 to Section 3-104 of Title 70 of the Oklahoma Statutes,  
7 or

8 c. scholarships to an eligible special needs student of  
9 up to Twenty-five Thousand Dollars (\$25,000.00) to  
10 cover all or part of the tuition, fees, and  
11 transportation costs of a qualified school for  
12 eligible special needs students which is accredited by  
13 the State Board of Education or an accrediting  
14 association approved by the Board pursuant to Section  
15 3-104 of Title 70 of the Oklahoma Statutes;

16 4. "Low-income eligible student" means an eligible student or  
17 eligible special needs student who ~~qualifies for a free or reduced-~~  
18 ~~price lunch is a member of a household with a verified household~~  
19 adjusted gross income that does not exceed five hundred fifty-five  
20 percent (555%) of the federal poverty level, as published annually  
21 by the United States Department of Health and Human Services;

22 5. "Qualified school" means an early childhood, elementary, or  
23 secondary private school in this state including schools which  
24

1 provide special educational programs for three-year-olds or  
2 prekindergarten educational programs for four-year-olds, which:  
3       a. is accredited by the State Board of Education or an  
4                accrediting association approved by the Board pursuant  
5                to Section 3-104 of Title 70 of the Oklahoma Statutes,  
6        b. is in compliance with all applicable health and safety  
7                laws and codes,  
8        c. has a stated policy against discrimination in  
9                admissions on the basis of race, color, national  
10              origin, or disability, and  
11        d. ensures academic accountability to parents and  
12              guardians of students through regular progress  
13              reports;

14       6. "Qualified school for eligible special needs students" means  
15    an early childhood, elementary, or secondary private school in a  
16    county in this state including schools which provide special  
17    educational programs for three-year-olds or prekindergarten  
18    educational programs for four-year-olds;

19       7. "Scholarship-granting organization" means an organization  
20    which:

21        a. is a nonprofit entity exempt from taxation pursuant to  
22                the provisions of the Internal Revenue Code, 26  
23                U.S.C., Section 501(c)(3),  
24

- b. distributes periodic scholarship payments as checks made out to an eligible student's or eligible special needs student's parent or guardian and mailed to the qualified school where the student is enrolled or by secure electronic funds transfer, including, but not limited to, automated clearinghouse transfer, to an account of the qualified school designated to receive scholarship payments on behalf of the eligible student,
- c. spends no more than ten percent (10%) of its annual revenue on expenditures other than educational scholarships as defined in paragraph 3 of this subsection,
- d. spends each year a portion of its expenditures on educational scholarships for low-income eligible students, as defined in paragraph 4 of this subsection, in an amount equal to or greater than the percentage of low-income eligible students in the state whose household adjusted gross income does not exceed five hundred fifty-five percent (555%) of the federal poverty level,
- e. ensures that scholarships are portable during the school year and can be used at any qualified school that accepts the eligible student or at any qualified

school for special needs students that accepts the eligible special needs student,

f. registers with the Oklahoma Tax Commission as a

scholarship-granting organization, and

g. has policies in place to:

(1) carry out criminal background checks on all employees and board members to ensure that no individual is involved with the organization who might reasonably pose a risk to the appropriate use of contributed funds, and

(2) maintain full and accurate records with respect to the receipt of contributions and expenditures of those contributions and supply such records and any other documentation required by the Tax Commission to demonstrate financial accountability;

8. "Annual revenue" means the total amount or value of

contributions received by an organization from taxpayers awarded

credits during the organization's fiscal year and all amounts earned

from interest or investments. For purposes of determining

compliance with the limitations on administrative expenditures, only

contributions for which a tax credit is allowed pursuant to this

section and received during the applicable fiscal year shall be

included in the calculation, and any interest, dividends, or other

1     investment earnings or income derived from such contributions shall  
2     be excluded;

3           9. "Public school" means public schools as defined in Section  
4     1-106 of Title 70 of the Oklahoma Statutes;

5           10. "Eligible public school district" means any public school;

6           11. "Early childhood education program" means a special  
7     educational program for eligible special needs students who are  
8     three (3) years of age or a prekindergarten educational program  
9     provided to children who are at least four (4) years of age but not  
10    more than five (5) years of age on or before September 1;

11          12. "Innovative educational program" means an advanced academic  
12     or academic improvement program that is not part of the regular  
13     coursework of a public school but that enhances the curriculum or  
14     academic program of the school or provides early childhood education  
15     programs to students;

16          13. "Educational improvement grant" means a grant to an  
17     eligible public school to implement an innovative educational  
18     program for students including the ability for multiple public  
19     schools to make an application and be awarded a grant to jointly  
20     provide an innovative educational program;

21          14. "Educational improvement grant organization" means an  
22     organization which:

23  
24

1                   a. is a nonprofit entity exempt from taxation pursuant to  
2                   the provisions of the Internal Revenue Code, 26  
3                   U.S.C., Section 501(c)(3), and  
4                   b. contributes at least ninety percent (90%) of its  
5                   annual receipts as grants to eligible schools for  
6                   innovative educational programs. For purposes of this  
7                   subparagraph, an educational improvement grant  
8                   organization contributes its annual cash receipts when  
9                   it expends or otherwise irrevocably encumbers those  
10                  funds for expenditure during the then current fiscal  
11                  year of the organization or during the next succeeding  
12                  fiscal year of the organization; and

13                  15. "Eligible public school foundation" means a nonprofit  
14                  entity formed pursuant to the laws of this state and is exempt from  
15                  federal income taxation pursuant to either Section 501(c)(3) or  
16                  Section 509(a) of the Internal Revenue Code of 1986, as amended.  
17                  Each public school foundation must be approved by the local board of  
18                  education prior to accepting qualifying donations.

19                  I. Total credits authorized by this section shall be allocated  
20                  as follows:

21                  1. By January 10 of the year immediately following each  
22                  calendar year, a scholarship-granting organization, an educational  
23                  improvement grant organization, an eligible public school  
24                  foundation, or public school district which accepts contributions

1 pursuant to this section shall provide electronically to the Tax  
2 Commission information on each contribution accepted during such  
3 taxable year. At least once each taxable year, the entity making  
4 the report shall notify each contributor that Oklahoma law provides  
5 for a total, statewide cap on the amount of income tax credits  
6 allowed annually;

7       2.       a.       If the Tax Commission determines the total combined  
8                credits claimed for contributions made to scholarship-  
9                granting organizations during the most recently  
10              completed calendar year by all taxpayers are in excess  
11              of the statewide cap amount provided in paragraphs 1  
12              and 2 of subsection E of this section, the Tax  
13              Commission shall first allocate any amount of credits  
14              not claimed for contributions made to organizations  
15              authorized pursuant to subsections C and D of this  
16              section, then shall determine the percentage of the  
17              contribution which establishes the proportionate share  
18              of the credit which may be claimed by any taxpayer so  
19              that the total maximum credits authorized by this  
20              section are not exceeded.

21       b.       If the Tax Commission determines the total combined  
22              credits claimed for contributions made to  
23              organizations authorized pursuant to subsections C and  
24              D of this section during the most recently completed

1                   calendar year by all taxpayers are in excess of the  
2                   statewide cap amount provided in paragraphs 3 and 4 of  
3                   subsection E of this section, the Tax Commission shall  
4                   first allocate any amount of credits not claimed for  
5                   contributions made to scholarship-granting  
6                   organizations, then shall determine the percentage of  
7                   the contribution which establishes the proportionate  
8                   share of the credit which may be claimed by any  
9                   taxpayer so that the maximum credits authorized by  
10                  this section are not exceeded.

11                 c. If the Tax Commission determines the total combined  
12                 credits claimed for contributions made to  
13                 organizations authorized pursuant to subsections C and  
14                 D of this section during the most recently completed  
15                 calendar year by all taxpayers are in excess of the  
16                 per public school district cap pursuant to paragraph 4  
17                 of subsection E of this section, the Tax Commission  
18                 shall first allocate any amount of credits not claimed  
19                 for contributions made to other organizations  
20                 authorized pursuant to subsections C and D of this  
21                 section, then shall determine the percentage of the  
22                 contribution which establishes the proportionate share  
23                 of the credit which may be claimed by any taxpayer so

that the maximum credits authorized by this section are not exceeded.

d. Beginning for tax year 2016, credits earned, but not allowed due to the application of statewide caps provided in subsection E of this section will be considered suspended and authorized to be used in the next immediate tax year and applied to the next year's statewide cap; and

9       3. The Tax Commission shall publish the percentage of the  
10 contribution which may be claimed as a credit by contributors for  
11 the most recently completed calendar year on the Tax Commission  
12 website no later than February 15 of each calendar year for  
13 contributions made the previous year. Each organization authorized  
14 pursuant to subsections B, C, and D of this section shall notify  
15 contributors of that amount annually.

16 J. No tax credits authorized by this section shall be used to  
17 reduce the tax liability of the taxpayer to less than zero (0).

18       K. Any credits authorized by this section allowed but not used  
19 in any tax year may be carried over, in order, to each of the three  
20 (3) years following the year of qualification.

21 L. 1. In order to qualify under this section, each  
22 organization authorized pursuant to subsections C and D of this  
23 section shall submit an application with information to the Oklahoma  
24 Tax Commission on a form prescribed by the Tax Commission that:

1                   a. enables the Tax Commission to confirm that the  
2                   organization is a nonprofit entity exempt from  
3                   taxation pursuant to the provisions of the Internal  
4                   Revenue Code, 26 U.S.C., Section 501(c)(3) or Section  
5                   509(a), and  
6                   b. describes the proposed innovative educational program  
7                   or programs supported by the organization.

8                   2. The Tax Commission shall review and approve or disapprove  
9                   the application, in consultation with the State Department of  
10                   Education.

11                   3. In order to maintain eligibility under this section, an  
12                   organization authorized pursuant to subsections C and D of this  
13                   section shall annually report the following information to the Tax  
14                   Commission and publish on its website by September 1 of each year:

15                   a. the name of the innovative educational program or  
16                   programs and the total amount of the grant or grants  
17                   made to those programs during the immediately  
18                   preceding school year,  
19                   b. a description of how each grant was utilized during  
20                   the immediately preceding school year and a  
21                   description of any demonstrated or expected innovative  
22                   educational improvements,  
23                   c. the names of the public school and school districts  
24                   where innovative educational programs that received

1 grants during the immediately preceding school year  
2 were implemented,

3 d. where the organization collects information on a  
4 county-by-county basis, and  
5 e. the total number and total amount of grants made  
6 during the immediately preceding school year for  
7 innovative educational programs at public school by  
8 each county in which the organization made grants.

9 4. The information required under paragraph 3 of this  
10 subsection shall be submitted on a form provided by the Tax  
11 Commission. No later than May 1 of each year, the Tax Commission  
12 shall annually distribute sample forms together with the forms on  
13 which the reports are required to be made to each approved  
14 organization.

15 5. The Tax Commission shall not require any other information  
16 be provided by an organization, except as expressly authorized in  
17 this section.

18 M. 1. Beginning in 2023 for the 2022-2023 academic year, in  
19 order to maintain registration, a scholarship-granting organization  
20 shall annually report to the Tax Commission by September 1 of each  
21 year the following information regarding the educational  
22 scholarships funded by the organization in the previous academic  
23 year:

1                   a. the name and address of the scholarship-granting  
2                   organization,

3                   b. the names of the qualifying schools that received  
4                   funding for educational scholarships, the total amount  
5                   of funds paid to each qualifying school, and the total  
6                   number of scholarship recipients enrolled in each  
7                   qualifying school,

8                   c. the total number and total dollar amount of  
9                   contributions received during the previous academic  
10                  year,

11                  d. the total number and total dollar amount of  
12                  educational scholarships awarded and funded during the  
13                  previous academic year,

14                  e. the total number, total dollar amount, and percentage  
15                  of educational scholarships awarded and funded during  
16                  the previous academic year disaggregated into the  
17                  following categories:

18                  (1) low-income eligible students, as determined by  
19                   verified household adjusted gross income bands as  
20                   follows:

21                  (a) less than or equal to one hundred eighty-  
22                   five percent (185%) of the federal poverty  
23                   level,

(b) from one hundred eighty-six percent (186%)

to three hundred percent (300%) of the

federal poverty level, and

(c) from three hundred one percent (301%) to

five hundred fifty-five percent (555%) of

the federal poverty level,

(2) students who during the immediately preceding

school year attended or who were eligible by

virtue of the residence of the student to attend

a public school in the state which was identified

for school improvement by the State Board of

Education pursuant to Section 1210.545 of Title

70 of the Oklahoma Statutes,

(3) eligible special needs students, and

(4) students who were first-time recipients of a

scholarship including information about the type

of public or private school the student was

enrolled in during the entire previous academic

year,

bercen

f. the percentage of annual revenue received by the

organization from donations which qualify for tax

credits pursuant to this section which was not

expended on scholarships,

g. disaggregated data reported under this subsection shall be redacted if reporting would allow for identification of specific children, and shall be reported in accordance with the Student Data Accessibility, Transparency and Accountability Act of 2013, ~~division~~ subparagraph b of ~~subparagraph~~ paragraph 2 of subsection C of Section 3-168 of Title 70 of the Oklahoma Statutes, and the Family Educational Rights and Privacy Act of 1974 (FERPA), 20 U.S.C., Section 1232g, and

h. the percentage of the total amount of education scholarship expenditures spent on low-income eligible students, as determined by verified household adjusted gross income bands as follows:

(1) less than or equal to one hundred eighty-five percent (185%) of the federal poverty level,

(2) from one hundred eighty-six percent (186%) to three hundred percent (300%) of the federal poverty level, and

(3) from three hundred one percent (301%) to  
five hundred fifty-five percent (555%) of  
the federal poverty level.

2. The Tax Commission shall make available on its website:

1                   a. the information submitted by the scholarship-granting  
2                   organization pursuant to paragraph 1 of this  
3                   subsection,  
4                   b. a list of participating schools, and  
5                   c. all other application information submitted to the Tax  
6                   Commission by a scholarship-granting organization,  
7                   except that information which would violate the  
8                   privacy of an individual.

9                   3. A scholarship-granting organization shall annually submit  
10                  verification to the Tax Commission that the organization still meets  
11                  the criteria set forth in paragraph 7 of subsection H of this  
12                  section.

13                  N. Contributions made pursuant to subsections B, C, and D of  
14                  this section shall not be used by the Legislature to reduce the  
15                  amount appropriated for the financial support of public schools.

16                  O. In consultation with the State Department of Education, the  
17                  Tax Commission shall promulgate rules necessary to implement the  
18                  Oklahoma Equal Opportunity Education Scholarship Act. The rules  
19                  shall include procedures for the registration of a scholarship-  
20                  granting organization, an educational improvement grant  
21                  organization, a public school foundation, or public school district  
22                  for purposes of determining if the organization meets the  
23                  requirements of the Oklahoma Equal Opportunity Education Scholarship  
24                  Act or for the revocation of the registration of an organization, if

1 | applicable, and for notice as required in subsection I of this  
2 | section.

3 | SECTION 2. This act shall become effective January 1, 2027.

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