

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

SPEAKER:

CHAIR:

I move to amend HB3806 \_\_\_\_\_  
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**

Amendment submitted by: Chris Sneed

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

\_\_\_\_\_

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

1 STATE OF OKLAHOMA

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

3 PROPOSED COMMITTEE  
4 SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 3806

By: Sneed

7 PROPOSED COMMITTEE SUBSTITUTE

8 An Act relating to revenue and taxation; creating an  
9 income tax credit for certain eligible business  
10 entities for credit card processing fees paid in  
11 excess of certain amount; defining terms; providing  
12 for allocation; prohibiting the credit from reducing  
13 the income tax liability of the eligible business  
14 entity to less than zero; providing carryover;  
15 providing for codification; and providing an  
16 effective date.

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

18 SECTION 1. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 2357.701 of Title 68, unless  
20 there is created a duplication in numbering, reads as follows:

21 A. As used in this section:

22 1. "Credit card processing fee" means the total percentage rate  
23 charged by a payment processor, acquirer, or similar financial  
24 institution to a business for the processing of credit card or debit  
card transactions; and

1        2. "Eligible business entity" means a general partnership,  
2 limited partnership, limited liability partnership, limited  
3 liability limited partnership, limited liability company,  
4 corporation, trust, estate or any other lawfully recognized entity  
5 which accepts payment for goods or services by means of a credit  
6 card or debit card.

7        B. For taxable years beginning on or after January 1, 2027,  
8 there shall be allowed as a credit against the tax imposed pursuant  
9 to Section 2355 of Title 68 of the Oklahoma Statutes equal to one  
10 hundred percent (100%) of the portion of the eligible business  
11 entity's credit card processing fees that exceeds two percent (2%)  
12 of the gross amount of all credit card or debit card transactions  
13 processed during the taxable year.

14        C. The credit authorized pursuant to the provisions of this  
15 section shall be allocable to the partners, shareholders, members,  
16 or other equity owners of an eligible business entity that is  
17 authorized to be treated as a partnership for purposes of federal  
18 income tax reporting for the taxable year for which the tax credit  
19 authorized by this section is claimed on the applicable return,  
20 together with required schedules, forms, or reports of the partners,  
21 shareholders, members, or other equity owners of the eligible  
22 business entity.

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1 D. The credit authorized by this section shall not be used to  
2 reduce the income tax liability of the eligible business entity to  
3 less than zero (0).

4 E. To the extent not used, the credit authorized by this  
5 section shall be allowed to carry over, in order, to each of the  
6 five (5) following taxable years.

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

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9 60-2-15971 AO 02/03/26

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