

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

COMMITTEE SUBSTITUTE  
FOR

HOUSE BILL NO. 2645

By: Hilbert

COMMITTEE SUBSTITUTE

[ revenue - taxation - medicine - terms - credit -  
limitations - time period - Oklahoma Tax Commission  
- estimate - circumstances - codification -  
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 2357.410 of Title 68, unless  
there is created a duplication in numbering, reads as follows:

A. Except as provided in subsection F of this section, for  
taxable years beginning after December 31, 2025, there shall be  
allowed a credit against the tax imposed pursuant to Section 2355 of  
Title 68 of the Oklahoma Statutes on taxable income from  
compensation directly related to the practice of medicine or  
osteopathic medicine by a qualifying doctor in a rural area of the  
state.

1 B. For purposes of this section:

2 1. "Qualifying doctor" means a medical doctor or osteopathic  
3 physician:

4 a. who is licensed in this state by the State Board of  
5 Medical Licensure and Supervision or the State Board  
6 of Osteopathic Examiners either on or after the  
7 effective date of this act or at any time within the  
8 period two (2) years prior to the effective date of  
9 this act, but not earlier than January 1, 2024,

10 b. who has graduated from a college of medicine or  
11 osteopathic medicine located in this state or has  
12 completed his or her residency in this state, and

13 c. whose primary residence is located within the same  
14 county as the rural area where the compensation  
15 qualifying for credit under this paragraph was earned  
16 or whose primary residence is located within the  
17 jurisdiction of a federally recognized tribe and is  
18 directly employed by a tribally owned or operated  
19 health facility or federal Indian Health Service  
20 facility. For purposes of this subparagraph, the  
21 qualifying doctor must maintain the primary residence  
22 either within the county or within the jurisdiction of  
23 the federally recognized tribe for the entire taxable  
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1                   year for which the credit otherwise authorized by this  
2                   section is claimed; and

3           2. "Rural area" means any municipality or unincorporated  
4 location in Oklahoma which:

5           a.    has a population not exceeding twenty-five thousand  
6                   (25,000) as determined by the most recent Federal  
7                   Decennial Census, and

8           b.    is at least twenty-five (25) miles from the boundary  
9                   of the nearest municipality in Oklahoma with a  
10                  population exceeding twenty-five thousand (25,000) as  
11                  determined by the most recent Federal Decennial  
12                  Census.

13           C.   The amount of the credit provided by this section claimed by  
14 a taxpayer in any tax year shall not exceed Twenty-five Thousand  
15 Dollars (\$25,000.00).

16           D.   The credit authorized by this section shall not be used to  
17 reduce the tax liability of the taxpayer to less than zero (0).

18           E.   Except as provided in subsection F of this section, a  
19 qualifying doctor who first claims the credit provided by this  
20 section shall be allowed the credit for up to four (4) subsequent  
21 taxable years so long as he or she qualifies pursuant to subsection  
22 B of this section.

1 F. 1. Annually the Oklahoma Tax Commission shall calculate and  
2 publish an estimate of the cumulative total credits claimed due to  
3 the provisions of this section.

4 2. The credit provided by this section shall not be allowed for  
5 any taxable year following a year when the Oklahoma Tax Commission  
6 calculates an estimate under the provisions of paragraph 1 of this  
7 subsection in excess of One Million Dollars (\$1,000,000.00).

8 SECTION 2. This act shall become effective January 1, 2026.

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