

CORRECTED

HOUSE OF REPRESENTATIVES - FLOOR VERSION

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1201

By: Maynard, **Lepak**, and **Boles**
of the House

and

Bullard of the Senate

COMMITTEE SUBSTITUTE

[revenue and taxation - contributions - tax credit -
claim - resource centers; procedure - information -
Tax Commission - requirements - cap - 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 2357.701 of Title 68, unless
there is created a duplication in numbering, reads as follows:

A. As used in this section:

1. "Contribution" means a donation of cash, stock, bonds, or
other marketable securities, or real property;

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1 2. "Director" means the Director of the State Department of
2 Health;

3 3. "Other qualifying center" means a facility located in this
4 state:

5 a. established and operating primarily to provide
6 assistance to women and families during pregnancy,
7 childbirth, or postpartum through services such as:

8 (1) maternity housing and transitional living
9 support,

10 (2) post-natal medical and mental health care,
11 excluding post-natal medical and mental health
12 care performed at a hospital,

13 (3) lactation support and newborn care education,

14 (4) postpartum counseling and maternal well-being
15 programs,

16 (5) support for mothers up to one (1) year
17 postpartum, and

18 (6) food, clothing, and supplies relating to
19 pregnancy, newborn care, and parenting,

20 to encourage and assist such women and families in carrying their
21 pregnancies to term and supporting the health of the mother and
22 child after birth,

23 b. where childbirths are not performed,
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- c. which does not perform, induce, or refer for abortions and which does not hold itself out as performing, inducing, or referring for abortions,
- d. which provides direct client services at the facility, as opposed to merely providing counseling or referral services by telephone,
- e. which provides its services at no cost to its clients,
- f. when providing medical services, such medical services must be performed in accordance with Oklahoma Statutes, and
- g. which is exempt from income taxation pursuant to the Internal Revenue Code;

4. "Pregnancy resource center" means a nonresidential facility located in this state:

- a. established and operating primarily to provide assistance to women and families with crisis pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional and material support, and other similar services or by offering services, such as:
 - (1) prenatal care,
 - (2) medical and mental health care,
 - (3) parenting skills,
 - (4) drug and alcohol testing and treatment,

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- (5) child care, and newborn and infant care,
- (6) housing and utilities,
- (7) educational services,
- (8) food, clothing, and supplies relating to pregnancy, newborn care, and parenting,
- (9) adoption assistance,
- (10) job training and placement,
- (11) establishing and promoting responsible paternity,
- (12) ultrasound services,
- (13) case management,
- (14) domestic abuse protection, and
- (15) transportation,

to encourage and assist such women and families in carrying their pregnancies to term,

b. where childbirths are not performed,

c. which does not perform, induce, or refer for abortions and which does not hold itself out as performing, inducing, or referring for abortions,

d. which provides direct client services at the facility, as opposed to merely providing counseling or referral services by telephone,

e. which provides its services at no cost to its clients,

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f. when providing medical services, such medical services must be performed in accordance with Oklahoma Statutes, and

g. which is exempt from income taxation pursuant to the Internal Revenue Code; and

5. "Taxpayer" means a person, firm, a partner in a firm, corporation, or a shareholder in an S corporation doing business in the state and subject to the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes or an insurance company subject to the tax imposed by Section 624 or 628 of Title 36 of the Oklahoma Statutes or other financial institution subject to the tax imposed by Section 2370 of Title 68 of the Oklahoma Statutes.

B. For taxable years beginning after December 31, 2025, and beginning not later than January 1, 2031, there shall be allowed a credit against the tax imposed pursuant to Section 2355 of Title 68 of the Oklahoma Statutes in the amount of seventy percent (70%) of the amount a taxpayer contributed to a pregnancy resource center or other qualifying center.

C. A taxpayer shall not be allowed to claim a tax credit in excess of Fifty Thousand Dollars (\$50,000.00) per taxable year. However, any tax credit that cannot be claimed in the taxable year the contribution was made may be claimed in the next succeeding taxable year.

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1 D. The credit authorized pursuant to the provisions of this
2 section may not be used to reduce the tax liability of the taxpayer
3 to less than zero (0). The credit authorized pursuant to the
4 provisions of this section may not be assigned, transferred, or
5 sold.

6 E. Except for any excess credit which is carried over pursuant
7 to subsection C of this section, a taxpayer shall not be allowed to
8 claim a tax credit unless the total amount of such taxpayer's
9 contribution or contributions to a pregnancy resource center or
10 other qualifying center or centers in a taxable year has a value of
11 at least One Hundred Dollars (\$100.00).

12 F. The Director shall determine, at least annually, which
13 facilities in this state may be classified as pregnancy resource
14 centers or other qualifying centers. The Director may require of a
15 facility seeking to be classified as a pregnancy resource center or
16 other qualifying center whatever information which is reasonably
17 necessary to make such a determination. The Director shall classify
18 a facility as a pregnancy resource center or other qualifying center
19 if such facility meets the definition set forth in subsection A of
20 this section. The Director shall establish a procedure by which a
21 taxpayer can determine if a facility has been classified as a
22 pregnancy resource center or other qualifying center.

23 G. Pregnancy resource centers or other qualifying centers shall
24 be permitted to decline a contribution from a taxpayer.

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1 H. Each pregnancy resource center or other qualifying center
2 shall provide information to the Director concerning the identity of
3 each taxpayer making a contribution to the pregnancy resource center
4 or other qualifying center who is claiming a tax credit pursuant to
5 this section and the amount of the contribution. The Director shall
6 provide the information to the Oklahoma Tax Commission. The
7 Director shall be subject to the confidentiality and penalty
8 provisions of Section 205 of Title 68 of the Oklahoma Statutes
9 relating to the disclosure of tax information.

10 I. For the tax year beginning January 1, 2026, and each tax
11 year thereafter, the total amount of credits authorized by this
12 section used to offset tax shall be adjusted annually to limit the
13 annual amount of credits to Five Million Dollars (\$5,000,000.00).
14 The Tax Commission shall annually calculate and publish by the first
15 day of the affected year a percentage by which the credits
16 authorized by this section shall be reduced so the total amount of
17 credits used to offset tax does not exceed Five Million Dollars
18 (\$5,000,000.00) per year. The formula to be used for the percentage
19 adjustment shall be Five Million Dollars (\$5,000,000.00) divided by
20 the credits claimed in the second preceding year.

21 J. In the event the total tax credits authorized by this
22 section exceed Five Million Dollars (\$5,000,000.00) in any calendar
23 year, the Tax Commission shall permit any excess over Five Million
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Dollars (\$5,000,000.00) but shall factor such excess into the percentage adjustment formula for subsequent years.

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

COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated 02/13/2025 - DO PASS, As Amended and Coauthored.