

1 **SENATE FLOOR VERSION**

2 February 24, 2026

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1530

By: Thompson of the Senate

and

Moore of the House

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8
9 An Act relating to state government; amending Section
10 1, Chapter 348, O.S.L. 2025 (74 O.S. Supp. 2025,
11 Section 5091), which relates to the Oklahoma Research
12 and Development Rebate Fund; modifying definitions;
13 authorizing increase in certain rebate amount under
14 specified condition; modifying certain rule
15 promulgation authority; imposing certain duties on
16 the Oklahoma Department of Commerce; updating
17 statutory references; and providing an effective
18 date.

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1 ~~incurred in this state~~ research and development expenses occurring
2 in the state that follow generally accepted accounting principles
3 established by the Financial Accounting Standards Board; and

4 2. "Research and development" has the same meaning as defined
5 by the Financial Accounting Standards Board in the Accounting
6 Standards Codification. Research and development does not include:

- 7 a. routine product testing or quality control,
- 8 b. management or market research,
- 9 c. literary or artistic projects including films or
10 publications,
- 11 d. exploration for natural resources,
- 12 e. software or computer systems integration, or
- 13 f. application of existing knowledge and processes to
14 architectural or civil engineering projects.

15 B. There is hereby created in the State Treasury a revolving
16 fund for the Oklahoma Department of Commerce to be designated the
17 "Oklahoma Research and Development Rebate Fund". The fund shall be
18 a continuing fund, not subject to fiscal year limitations, and shall
19 consist of all monies appropriated to the Department that are
20 designated for deposit in the fund. Monies appropriated to this
21 fund shall be expended to reimburse qualifying establishments for
22 qualified research expenditures.

1 C. There is hereby created a research and development rebate
2 program for the cost of qualified research expenditures by
3 establishments.

4 D. The investment rebate program shall be administered by the
5 Oklahoma Department of Commerce.

6 E. To be eligible for consideration for a research and
7 development rebate payment awarded under the provisions of this ~~act~~
8 section, the establishment shall:

9 1. Submit an application and documentation to the Department,
10 as required by the Department;

11 2. Provide documentation as required by the Department to
12 determine that the research and development expenditures occurred
13 within this state; and

14 3. Have filed all Oklahoma tax returns as required by law.

15 F. Claims for rebate approved by the Department shall be equal
16 to five percent (5%) of qualified research expenditures of the
17 establishment. A rebate amount may increase by two percent (2%)
18 when the establishment partners with an institution of higher
19 education in the state.

20 G. Claims for rebate approved by the Department shall be paid
21 in the order that they are received. Total claims approved for
22 rebate shall not exceed the balance of the Oklahoma Research and
23 Development Rebate Fund. In no event shall claims approved for
24

1 rebate exceed Twenty Million Dollars (\$20,000,000.00) in any fiscal
2 year.

3 H. If the amount of a claim exceeds the amount available in the
4 Oklahoma Research and Development Rebate Fund or the fiscal year
5 limitation provided in subsection G of this section, the payment may
6 be made in a prorated amount. Claims for rebate not approved by the
7 Department due to the limitations provided in subsection G of this
8 section may be approved and paid in subsequent fiscal years.

9 I. The Oklahoma Department of Commerce ~~may~~ shall promulgate
10 rules to effectuate the provisions of this section, including an
11 annual application process.

12 J. The Department shall be the determiner for qualification of
13 expenses and activities associated with the research and development
14 rebate.

15 K. The Department shall annually publish on its website
16 information detailing the return on investment of this rebate to the
17 state, including, but not limited to, establishments receiving the
18 rebate, the project, the industry of the establishment, and
19 institution of higher education information partnered with the
20 establishment if applicable.

21 SECTION 2. This act shall become effective November 1, 2026.

22 COMMITTEE REPORT BY: COMMITTEE ON ECONOMIC DEVELOPMENT, WORKFORCE
AND TOURISM

23 February 24, 2026 - DO PASS AS AMENDED BY CS