

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

SENATE BILL 52

By: Hicks

AS INTRODUCED

An Act relating to income tax; amending 68 O.S. 2021, Section 2357.43, which relates to Oklahoma earned income tax credit; limiting certain calculation of credit to certain tax years; clarifying statutory language; updating statutory references; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 2021, Section 2357.43, is amended to read as follows:

Section 2357.43. For tax ~~years beginning on or after January 1, 2022~~ year 2002 and subsequent tax years, there shall be allowed to a resident individual or a part-year resident individual as a credit against the tax imposed by Section 2355 of this title five percent (5%) of the earned income tax credit allowed under Section 32 of the Internal Revenue Code of ~~the United States 1986~~, as amended, 26 U.S.C., Section 32, which for ~~the taxable year beginning January 1, 2022, and the taxable year beginning each January 1 thereafter~~ tax years 2022 through 2025 shall be computed using the same requirements, other than the five percent (5%) amount to compute the

1 credit as prescribed by this section which shall remain constant, in
2 effect for computation of the earned income tax credit for federal
3 income tax purposes for the 2020 income tax year. However, this
4 credit shall not be paid in advance pursuant to the provisions of
5 Section 3507 of the Internal Revenue Code of 1986, as amended. For
6 tax years ~~which begin on or after January 1, 2022~~ 2002 through 2015
7 and tax year 2022 and subsequent tax years, if the credit exceeds
8 the tax imposed by Section 2355 of this title, the excess amount
9 shall be refunded to the taxpayer. The maximum earned income tax
10 credit allowable on the Oklahoma income tax return shall be prorated
11 on the ratio that Oklahoma adjusted gross income bears to the
12 federal adjusted gross income.

13 SECTION 2. This act shall become effective November 1, 2025.

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