

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 60<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB4273</b>
<b>Version:</b>	<b>INT</b>
<b>Request Number:</b>	<b>16190</b>
<b>Author:</b>	<b>Rep. Miller</b>
<b>Date:</b>	<b>2/23/2026</b>
<b>Impact:</b>	<b>Unknown decrease in income tax collections</b>

**Research Analysis**

The proposed committee substitute for HB4273 expands eligibility for the aerospace engineer tax credit program by amending the definition of *qualified employer* to include four-year higher education institutions with an R1 research designation that have a research, innovation and education institute dedicated to aerospace research and technology. To qualify for the \$5000 employee tax credit, a qualifying aerospace employee must be actively working within the dedicated research institution.

Prepared By: Quyen Do

**Fiscal Analysis**

As introduced, HB4273 expands the definition of "qualified employer" as it relates to the income tax credit for employers and employees in the aerospace sector. Expanding this definition increases the number of employees that may be eligible for the credit.

The Oklahoma Tax Commission has provided the following analysis:

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**ESTIMATED REVENUE IMPACT:**

**FY27: Unknown decrease in individual income tax collections.**

**FY28: Unknown decrease in individual income tax collections.**

**ANALYSIS:** The PCS<sup>1</sup> for HB 4273 (Req. No. 16190) proposes to amend 68 O.S. § 2357.301 relating to the credit for employers and employees in the aerospace sector.<sup>i</sup> This measure proposes to amend the definition of qualified employer to include a four-year institution of higher education within Oklahoma that is designated as an R1 research institute and has an innovation, and education institute dedicated to aerospace research and technology. In addition, the definition of qualified employee who is employed by an institution of higher education will only apply to those individuals actively working within a research, innovation, and education institute dedicated to aerospace research and technology. This proposal would allow the \$5,000 employee credit<sup>ii</sup> for an increased number of employees at institutes of higher learning. Two institutions of higher education within Oklahoma are designated as R1 institutes.<sup>iii</sup> It is unknown how many individuals will potentially qualify for the credit<sup>iv</sup> under the expanded definition of qualified employer.

This measure has a potential unknown decrease in income tax collections beginning in FY27 due to a reduction in withholding and estimated tax payments. The full impact is expected in FY28 when the 2027 tax returns are filed.

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<sup>1</sup> The Introduced version of HB 4273 had a broader definition of qualified employer.

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**Other Considerations**

None.

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