

BILL SUMMARY
2nd Session of the 60th Legislature

Bill No.:	HB4273
Version:	INT
Request Number:	14268
Author:	Miller
Date:	2/6/2026
Impact:	Unknown decrease in income tax collections

Research Analysis

Pending

Prepared By: House Research Staff

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:

ESTIMATED REVENUE IMPACT:

FY27: Unknown decrease in individual income tax collections.

FY28: Unknown decrease in individual income tax collections.

ANALYSIS: The Introduced Version of HB 4273 proposes to amend 68 O.S. § 2357.301 relating to the credit for employers and employees in the aerospace sector. Under current law, qualifying employers and qualifying employees in the aerospace are afforded the opportunity to claim an Oklahoma income tax credit.¹ This measure proposes to change the definition of qualified employer to include an institution of higher education within Oklahoma that has a research, innovation, and education institute dedicated to aerospace research and technology.² In addition, the definition of qualified employee employed by an institution of higher education within this state that has a research and education institute dedicated to aerospace research and technology will only apply to those individuals actively working within a research, innovation, and education institute dedicated to aerospace research and technology.

¹ Qualified employers can earn a credit for employing qualified employees and for providing tuition reimbursement for qualifying employees. Qualifying employees can earn a credit of \$5,000 per tax year for 5 years (maximum lifetime credit is \$25,000 and unused credits may be carried over).

² It is unclear what dedicated to aerospace research and technology means.

This proposal would allow the \$5,000 credit for an increased number of employees at institutes of higher learning. According to the *Oklahoma Aerospace Career Pathways for Oklahoma Students*³ at least 12 institutions of higher education within Oklahoma offer aerospace related degree or certificates. It is unknown how many individuals will potentially qualify for the credit⁴ under the expanded definition of qualified employer. Additionally, at least one private institute of higher education is a for profit enterprise and may qualify for the employer credits.

This measure has a potential unknown decrease in income tax collections beginning in FY27.

Prepared By: Zach Penrod, House Fiscal Staff

Other Considerations

None.