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| BILL/VERSION: | SB 1393 / Introduced | ANALYST: MK |
| AUTHORS: | Senator Kirt | DATE: 1/30/2026 |
| TAX(ES): | Income Tax | |
| SUBJECT(S): | Credit for Revitalizing Empty Structures Through Ownership, Renovation, and Enterprise (RESTORE Act) | |
| EFFECTIVE DATE: | July 1, 2026 | Emergency <input checked="" type="checkbox"/> |

ESTIMATED REVENUE IMPACT:

FY27: Decrease in individual & corporate income tax collections not to exceed \$5 million.¹
FY28: Unknown decrease in individual & corporate income tax collections.²

ANALYSIS: The Introduced version of SB 1393 proposes to enact the *Revitalizing Empty Structures Through Ownership, Renovation, and Enterprise (RESTORE) Act* to be administered jointly by the Oklahoma Tax Commission (OTC) and the Oklahoma Housing Finance Agency (OHFA). This measure would create a new nonrefundable³ income tax credit for up to 50% of qualified expenditures for an adaptive reuse project. This credit would be available for fiscal year 2027 through fiscal year 2037.

Beginning in fiscal year 2027, OHFA would be allowed to authorize up to \$5 million⁴ in income tax credits annually. Establishments must submit their applications for the credit through OHFA. Once an application is approved and the adaptive reuse project is completed⁵, establishments can begin claiming credits in tax year 2027. After OHFA approves a credit claim, they will notify the OTC of the awarded amount. Credits will be awarded for the tax year corresponding to the calendar year in which OHFA approves the claim.

¹ The number of applicants and the amount of qualified expenditures for this proposed program are currently unknown.

² Unused credits in any fiscal year may be carried forward to the following fiscal year's \$5 million credit cap.

³ Unused credits may be carried over for a period of 10 years.

⁴ OHFA may authorize partial credits to remain within the FY cap of \$5 million.

⁵ OHFA must verify the project is completed and meets all prescribed requirements before approving the claim for credit. OHFA and OTC are authorized to promulgate rules. OHFA must publish an annual report detailing the credits awarded pursuant to the RESTORE Act and electronically submit to the Governor, President Pro Tempore of the Senate and the Speaker of the House.

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The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted. This estimate reflects current available data as of the date of issuance and is subject to revision if additional information becomes known.