



BILL/VERSION:	SB 236 /Proposed Subcommittee Sub	ANALYST: TB
AUTHORS:	Sen. Haste	DATE: 2/17/2025
TAX(ES):	Income Tax	
SUBJECT(S):	Credits	
EFFECTIVE DATE:	Nov 1, 2025	Emergency <input type="checkbox"/>

ESTIMATED REVENUE IMPACT:

FY26: Unknown decrease in income tax collections.

FY27: Unknown decrease in income tax collections.

ANALYSIS: The Proposed Committee Substitute for Senate Bill 236 (Req. No. 1723) proposes an income tax credit for qualified employers in Oklahoma's aerospace or defense sector who are engaged in a contract with the U.S. Department of Defense¹ that requires Level 2 Cybersecurity Maturity Model Certification (CMMC) compliance. The employer must have between 5 and 200 employees. The credit equals 50% of compensation paid to employees necessary to achieve initial CMMC compliance and expenses incurred to achieve compliance.

Compared to SB 236 (as introduced), this measure narrows the eligibility criteria by specifying that only employers requiring Level 2 CMMC compliance qualify. Also, the definition of covered compensation has been clarified to include only compensation necessary for achieving initial CMMC compliance, rather than any compensation paid to employees during the compliance process. Furthermore, the annual statewide cap has been lowered from \$10 million to \$7.5 million beginning in 2028, reducing the maximum potential fiscal impact on state revenues.

The nonrefundable credit is capped at \$50,000 per employer for all eligible tax years, and any unused credit may be carried forward for up to five years. The credit is effective for tax years 2026 through 2031. Beginning in tax year 2028, an annual

¹ The Cybersecurity Maturity Model Certification is a set of standards designed to assess the cybersecurity maturity of organizations working with the Department of Defense and other federal agencies.

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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.



statewide cap of \$7.5 million is imposed, and the Oklahoma Tax Commission will enforce the cap through proportional reductions in credit claims if total claims exceed \$7.5 million.

Due to limited data on how many eligible businesses will seek Level 2 CMMC compliance, the total revenue impact on the state cannot be accurately estimated at this time. However, it is anticipated that most eligible businesses will claim the maximum credit allowable on their 2026 and 2027 tax returns².

²Obtaining CMMC certification typically takes 12-18 months.