

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 SENATE BILL NO. 1530

6 By: Thompson of the Senate

7 and

8 Moore of the House

9 COMMITTEE SUBSTITUTE

10 An Act relating to state government; amending Section  
11 1, Chapter 348, O.S.L. 2025 (74 O.S. Supp. 2025,  
12 Section 5091), which relates to the Oklahoma Research  
13 and Development Rebate Fund; modifying definitions;  
14 authorizing increase in certain rebate amount under  
15 specified condition; modifying certain rule  
16 promulgation authority; imposing certain duties on  
17 the Oklahoma Department of Commerce; updating  
18 statutory references; and providing an effective  
19 date.

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

21 SECTION 1. AMENDATORY Section 1, Chapter 348, O.S.L.  
22 2025 (74 O.S. Supp. 2025, Section 5091), is amended to read as  
23 follows:

24 Section 5091. A. As used in this section:

1. 1. "Qualified research expenditures" means ~~the amount of~~  
~~qualified research expenses claimed on line 9 or line 28 of federal~~

1 ~~Form 6765 (Rev. December 2023) or the relevant line number of~~  
2 ~~federal Form 6765 in effect for the applicable tax year for expenses~~  
3 ~~incurred in this state~~ research and development expenses occurring  
4 in the state that follow generally accepted accounting principles  
5 established by the Financial Accounting Standards Board; and

6 2. "Research and development" has the same meaning as defined  
7 by the Financial Accounting Standards Board in the Accounting  
8 Standards Codification. Research and development does not include:

- 9 a. routine product testing or quality control,
- 10 b. management or market research,
- 11 c. literary or artistic projects including films or  
12 publications,
- 13 d. exploration for natural resources,
- 14 e. software or computer systems integration, or
- 15 f. application of existing knowledge and processes to  
16 architectural or civil engineering projects.

17 B. There is hereby created in the State Treasury a revolving  
18 fund for the Oklahoma Department of Commerce to be designated the  
19 "Oklahoma Research and Development Rebate Fund". The fund shall be  
20 a continuing fund, not subject to fiscal year limitations, and shall  
21 consist of all monies appropriated to the Department that are  
22 designated for deposit in the fund. Monies appropriated to this  
23 fund shall be expended to reimburse qualifying establishments for  
24 qualified research expenditures.

1 C. There is hereby created a research and development rebate  
2 program for the cost of qualified research expenditures by  
3 establishments.

4 D. The investment rebate program shall be administered by the  
5 Oklahoma Department of Commerce.

6 E. To be eligible for consideration for a research and  
7 development rebate payment awarded under the provisions of this ~~act~~  
8 section, the establishment shall:

9 1. Submit an application and documentation to the Department,  
10 as required by the Department;

11 2. Provide documentation as required by the Department to  
12 determine that the research and development expenditures occurred  
13 within this state; and

14 3. Have filed all Oklahoma tax returns as required by law.

15 F. Claims for rebate approved by the Department shall be equal  
16 to five percent (5%) of qualified research expenditures of the  
17 establishment. A rebate amount may increase by two percent (2%)  
18 when the establishment partners with an institution of higher  
19 education in the state.

20 G. Claims for rebate approved by the Department shall be paid  
21 in the order that they are received. Total claims approved for  
22 rebate shall not exceed the balance of the Oklahoma Research and  
23 Development Rebate Fund. In no event shall claims approved for  
24

1 rebate exceed Twenty Million Dollars (\$20,000,000.00) in any fiscal  
2 year.

3 H. If the amount of a claim exceeds the amount available in the  
4 Oklahoma Research and Development Rebate Fund or the fiscal year  
5 limitation provided in subsection G of this section, the payment may  
6 be made in a prorated amount. Claims for rebate not approved by the  
7 Department due to the limitations provided in subsection G of this  
8 section may be approved and paid in subsequent fiscal years.

9 I. The Oklahoma Department of Commerce ~~may~~ shall promulgate  
10 rules to effectuate the provisions of this section, including an  
11 annual application process.

12 J. The Department shall be the determiner for qualification of  
13 expenses and activities associated with the research and development  
14 rebate.

15 K. The Department shall annually publish on its website  
16 information detailing the return on investment of this rebate to the  
17 state, including, but not limited to, establishments receiving the  
18 rebate, the project, the industry of the establishment, and  
19 institution of higher education information partnered with the  
20 establishment if applicable.

21 SECTION 2. This act shall become effective November 1, 2026.

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