

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1776

By: Pugh

6 AS INTRODUCED

7 An Act relating to income tax; providing tax credit  
8 for teachers attaining certain years of service with  
a school district; prescribing credit amount and  
9 requirements; providing exception for certain  
eligibility requirement; authorizing the Oklahoma Tax  
10 Commission to conduct audit to determine eligibility;  
requiring the recapture of credit if a taxpayer  
11 becomes ineligible; making the credit refundable;  
providing for codification; and providing an  
12 effective date.

13

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

15 SECTION 1. NEW LAW A new section of law to be codified

16 in the Oklahoma Statutes as Section 2357.49 of Title 68, unless  
17 there is created a duplication in numbering, reads as follows:

18 A. For tax year 2027 and subsequent tax years, there shall be  
19 allowed against the tax imposed by Section 2355 of Title 68 of the  
Oklahoma Statutes, a credit for any individual who is certified to  
21 teach in this state and has begun teaching an eighth consecutive  
22 year in a school district in this state during the tax year. The  
23 credit allowed shall be in the amount of Ten Thousand Dollars  
24 (\$10,000.00).

1       B. Any taxpayer claiming the credit authorized by this section  
2 shall continue to teach in the same school district for the  
3 remainder of the eighth year, plus three (3) more consecutive years,  
4 to remain eligible for the credit. Provided, if the taxpayer became  
5 unemployed due to a reduction in force by the school district,  
6 death, or a documented medical hardship, the taxpayer shall remain  
7 eligible. The Commission may conduct an audit to verify the  
8 eligibility of a taxpayer that has claimed the credit authorized  
9 pursuant to this section. The Commission shall recapture the  
10 credits otherwise authorized by the provisions of this section if an  
11 audit conducted shows that the taxpayer became ineligible.

12       C. If the credit exceeds the tax imposed by Section 2355 of  
13 Title 68 of the Oklahoma Statutes, the excess amount shall be  
14 refunded to the taxpayer.

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

16                   60-2-2193

17                   QD

18                   1/14/2026 4:40:05 PM

19  
20  
21  
22  
23  
24  
25