

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 1402

By: Gillespie

AS INTRODUCED

An Act relating to income tax; creating the Health Care Sharing Ministries Tax Parity Act; providing short title; defining terms; providing deduction for certain qualified expenses for certain tax years; exempting certain amount received by an individual taxpayer from taxable income for certain tax years; requiring claims to be made on prescribed form; requiring the Oklahoma Tax Commission to promulgate rules; providing for noncodification; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Health Care Sharing Ministries Tax Parity Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2358.8 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. As used in this act:

1 1. "Health care sharing ministry" (HCSM) means a not-for-profit
2 organization that is tax-exempt under Section 501(c)(3) of the
3 Internal Revenue Code of 1986, as amended, and:

- 4 a. limits its members to those who share a common set of
5 ethical or religious beliefs,
- 6 b. acts as a facilitator among members who have financial
7 or medical needs to assist those with financial or
8 medical needs in accordance with criteria established
9 by the health care sharing ministry,
- 10 c. provides for the financial or medical needs of a
11 member through contributions from other members,
- 12 d. provides amounts that members may contribute with no
13 assumption of risk or promise to pay among the members
14 and no assumption of risk or promise to pay by the
15 health care sharing ministry to the members,
- 16 e. provides to the members a written statement at least
17 quarterly with the total dollar amount of qualified
18 medical needs actually shared in the previous
19 reporting period in accordance with criteria
20 established by the health care sharing ministry,
- 21 f. is annually audited by an independent certified public
22 accountant or firm of certified public accountants
23 which is made available to the public by providing a
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1 copy upon request, or by posting on the website of the
2 organization, and

3 g. provides a written disclaimer on or accompanying all
4 applications and guideline materials distributed by or
5 on behalf of the organization that reads, in
6 substance: "Notice: The organization facilitating
7 the sharing of medical expenses is not an insurance
8 company, and neither its guidelines nor plan of
9 operation is an insurance policy. Whether anyone
10 chooses to assist you with your medical bills will be
11 totally voluntary because no other member will be
12 compelled by law to contribute toward your medical
13 bills. As such, participation in the organization or
14 a subscription to any of its documents should never be
15 considered to be insurance. Regardless of whether you
16 receive any payments for medical expenses or whether
17 this organization continues to operate, you are always
18 personally responsible for the payment of your own
19 medical bills.";

20 2. "Qualified health care share received" means an amount an
21 individual taxpayer receives as a qualified individual and as a
22 result of membership in an HCSM to assist with a medical expense;

23 3. "Qualified health care sharing expenses" means amounts paid
24 by a qualified individual for membership in an HCSM for the
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1 individual or the spouse or dependent of the individual, which shall
2 include:

3 a. the sharing of medical expenses with respect to the
4 HCSM, and

5 b. the payment of administrative fees of the HCSM; and

6 4. "Qualified individual" means any resident of this state who
7 has been an active member of an HCSM for at least one (1) month
8 during the tax year in which a deduction or exemption authorized
9 pursuant to this section is claimed.

10 B. For tax year 2027 and subsequent tax years, there shall be
11 allowed a deduction from Oklahoma adjusted gross income in the
12 amount of qualified health care sharing expenses by a qualified
13 individual.

14 C. For tax year 2027 and subsequent tax years, any qualified
15 health care share received by an individual taxpayer shall be exempt
16 from taxable income.

17 D. The exemption and deduction provided by this section shall
18 be claimed on a form prescribed by the Oklahoma Tax Commission. The
19 Commission shall promulgate rules to implement the provisions of
20 this section including requirements for verifying claims.

21 SECTION 3. This act shall become effective November 1, 2026.

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