

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

HOUSE BILL 2933

By: Branham

AS INTRODUCED

An Act relating to revenue and taxation; providing income tax credit for certain employees engaged in qualifying occupations; defining terms; specifying amount of credit; prohibiting use of tax credit to reduce tax liability to less than specified amount; authorizing carryover; 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 to be codified in the Oklahoma Statutes as Section 2357.901 of Title 68, unless there is created a duplication in numbering, reads as follows:

As used in this act:

1. "Qualifying occupation" means:

- a. alternative energy research as described by Industry No. 237130 of the North American Industry Classification System with respect to solar energy, wind energy, biomass, geothermal energy, hydroelectric power or other nonfossil fuel-based energy systems and

1 exclusive of production of electric power by means of
2 nuclear fission, or

3 b. biomedical research as described by Industry No. 54714
4 of the North American Industry Classification System;
5 and

6 2. "Compensation" means payments in the form of contract labor
7 for which the payor is required to provide a Form 1099 to the person
8 paid, wages subject to withholding tax paid to a part-time employee
9 or full-time employee, or salary or other remuneration. Compensation
10 shall not include employer-provided retirement, medical or health
11 care benefits, reimbursement for travel, meals, lodging or any other
12 expense.

13 SECTION 2. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 2357.902 of Title 68, unless
15 there is created a duplication in numbering, reads as follows:

16 A. For taxable years beginning on or after January 1, 2021, and
17 ending not later than December 31, 2025, a qualified employee
18 engaged in a qualifying occupation shall be allowed a credit against
19 the tax imposed pursuant to Section 2355 of Title 68 of the Oklahoma
20 Statutes of up to Five Thousand Dollars (\$5,000.00) per year for a
21 period of time not to exceed five (5) years.

22 B. The credit authorized by this section shall not be used to
23 reduce the tax liability of the taxpayer to less than zero (0).
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1 C. Any credit claimed, but not used, may be carried over, in
2 order, to each of the five (5) subsequent taxable years.

3 SECTION 3. This act shall become effective January 1, 2021.
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