An Act

ENROLLED HOUSE
BILL NO. 2536

By: Montgomery and McDaniel (Randy) of the House

and

Mazzei of the Senate

An Act relating to revenue and taxation; amending 68 O.S. 2011, Section 2370.1, as amended by Section 1, Chapter 32, O.S.L. 2014 (68 O.S. Supp. 2015, Section 2370.1), which relates to tax credits for the United States Small Business Administration Loan Guaranty program fees; modifying period for which credits may be claimed; providing for job creation or retention; and providing an effective date.

SUBJECT: Tax credits

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

SECTION 1. AMENDATORY 68 O.S. 2011, Section 2370.1, as amended by Section 1, Chapter 32, O.S.L. 2014 (68 O.S. Supp. 2015, Section 2370.1), is amended to read as follows:

Section 2370.1 A. There shall be allowed a credit against the tax imposed by Section 2370 of this title for any state banking association, national banking association and credit union organized under the laws of this state for the amount of the guaranty fee paid by the banking association or credit union to the United States Small Business Administration pursuant to the "7(a)" loan guaranty program.

B. The credit authorized by this section may be claimed for guaranty fees paid on or after January 1, 2000, and before January 1, ~~2017~~ 2019.

C. No credit may be claimed pursuant to this section if, pursuant to the agreement between the banking association or credit union and the entity to which proceeds are made available, the banking association or credit union adds the amount of the SBA 7(a) loan guaranty fee to the amount financed by the borrower or in any other way recovers the guaranty fee amount from the borrower.

D. The credit authorized by this section may be claimed and if not fully used in the initial year for which the credit is claimed may be carried over, in order, to each of the five (5) succeeding taxable years. The credit authorized by this section may not be used to reduce the tax liability of the credit claimant below zero (0).

E. The Oklahoma Tax Commission shall prepare a report regarding the amount of tax credits claimed as authorized by this section. The report shall be submitted to the Speaker of the House of Representatives and to the President Pro Tempore of the Senate not later than March 31 of each year.

F. Pursuant to Section 46A of Title 62 of the Oklahoma Statutes, there shall be a measurable goal of retaining and/or creating two thousand jobs per year in Oklahoma for the credit against the tax imposed by Section 2370 of this title.

SECTION 2. This act shall become effective November 1, 2016.

Passed the House of Representatives the 29th day of February, 2016.

Presiding Officer of the House of Representatives

Passed the Senate the 13th day of April, 2016.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 14th day of April, 2016, at 1:59 o'clock P M.

By: Audrey Rockwell

Approved by the Governor of the State of Oklahoma this 20th day of April, 2016, at 4:06 o'clock P M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____ day of _____, 20_____, at _____ o'clock _____ M.

By: Chris Benge