

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 SENATE BILL 1306

By: Montgomery

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5  
6 AS INTRODUCED

7 An Act relating to income tax; amending 68 O.S. 2011,  
8 Section 2357.43, as amended by Section 1, Chapter  
9 341, O.S.L. 2016 (68 O.S. Supp. 2019, Section  
10 2357.43), which relates to the earned income tax  
11 credit; updating language; modifying computation of  
12 credit during specified time periods; providing for  
13 refund of excess credit at specified amounts during  
14 certain time periods; and providing an effective  
15 date.

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

17 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.43, as  
18 amended by Section 1, Chapter 341, O.S.L. 2016 (68 O.S. Supp. 2019,  
19 Section 2357.43), is amended to read as follows:

20 Section 2357.43. ~~For tax years beginning after December 31,~~  
21 ~~2001,~~ A. For tax years beginning before January 1, 2025, there  
22 shall be allowed to a resident individual or a part-year resident  
23 individual as a credit against the tax imposed by Section 2355 of  
24 this title five percent (5%), and for tax years beginning on or  
after January 1, 2025, seven and one-half percent (7.5%), of the  
earned income tax credit allowed under Section 32 of the Internal

1 Revenue Code of the United States, 26 U.S.C., Section 32. However,  
2 this credit shall not be paid in advance pursuant to the provisions  
3 of Section 3507 of the Internal Revenue Code. ~~For tax years which~~  
4 ~~begin before January 1, 2016, if~~

5 B. If the credit exceeds the tax imposed by Section 2355 of  
6 this title, the excess amount shall be refunded to the taxpayer  
7 subject to the following schedule:

8 1. For tax years beginning before January 1, 2016, one hundred  
9 percent (100%);

10 2. For tax years beginning or after January 1, 2016, and ending  
11 on or before December 31, 2019, zero percent (0%);

12 3. For the tax year beginning on January 1, 2020, fifty percent  
13 (50%); and

14 4. For the tax year beginning on January 1, 2021, and all  
15 subsequent tax years, one hundred percent (100%).

16 The maximum earned income tax credit allowable on the Oklahoma  
17 income tax return shall be prorated on the ratio that Oklahoma  
18 adjusted gross income bears to the federal adjusted gross income.

19 SECTION 2. This act shall become effective November 1, 2020.

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21 57-2-3048 JCR 1/13/2020 11:24:43 AM  
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