

1 ENGROSSED SENATE  
2 BILL NO. 1461

By: Standridge and David of the  
Senate

3 and

4 Echols of the House

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6  
7 An Act relating to income tax; amending 68 O.S. 2011,  
8 Section 2357.301, as amended by Section 1, Chapter  
9 30, O.S.L. 2014 (68 O.S. Supp. 2019, Section  
10 2357.301), which relates to income tax credits;  
11 modifying definitions related to credits for  
12 aerospace sector; and providing an effective date.

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

14 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.301, as  
15 amended by Section 1, Chapter 30, O.S.L. 2014 (68 O.S. Supp. 2019,  
16 Section 2357.301), is amended to read as follows:

17 Section 2357.301. As used in Sections 2357.301 through 2357.304  
18 of this title:

19 1. "Aerospace sector" means a private or public organization  
20 engaged in the manufacture of aerospace or defense hardware or  
21 software, aerospace maintenance, aerospace repair and overhaul,  
22 supply of parts to the aerospace industry, provision of services and  
23 support relating to the aerospace industry, research and development  
24 of aerospace technology and systems, and the education and training  
of aerospace personnel;

1           2. "Compensation" means payments in the form of contract labor  
2 for which the payor is required to provide a Form 1099 to the person  
3 paid, wages subject to withholding tax paid to a part-time employee  
4 or full-time employee, or salary or other remuneration.

5 Compensation shall not include employer-provided retirement, medical  
6 or health-care benefits, reimbursement for travel, meals, lodging or  
7 any other expense;

8           3. "Institution" means an institution within The Oklahoma State  
9 System of Higher Education or any other public or private college or  
10 university that is accredited by a national accrediting body;

11           4. "Qualified employer" means a sole proprietor, general  
12 partnership, limited partnership, limited liability company,  
13 corporation, other legally recognized business entity, or public  
14 entity whose principal business activity involves the aerospace  
15 sector;

16           5. "Qualified employee" means any person, regardless of the  
17 date of hire, employed in this state by or contracting in this state  
18 with a qualified employer on or after January 1, 2009, ~~who has been~~  
19 ~~awarded an undergraduate or graduate degree from a qualified program~~  
20 ~~by an institution, and~~ who was not employed in the aerospace sector  
21 in this state immediately preceding employment or contracting with a  
22 qualified employer, and who has been either:

- 23           a. awarded an undergraduate or graduate degree from a  
24           qualified program by an institution, or

1           b. licensed as a Professional Engineer by the State Board  
2           of Licensure for Professional Engineers and Land  
3           Surveyors pursuant to Section 475.15 of Title 59 of  
4           the Oklahoma Statutes.

5 Provided, the definition shall not be interpreted to exclude any  
6 person who was employed in the aerospace sector, but not as a full-  
7 time engineer, prior to being awarded an undergraduate or graduate  
8 degree from a qualified program by an institution or any person who  
9 has been awarded an undergraduate or graduate degree from a  
10 qualified program by an institution and is employed by a  
11 professional staffing company and assigned to work in the aerospace  
12 sector in this state;

13           6. "Qualified program" means a program that has been accredited  
14 by the Engineering Accreditation Commission of the Accreditation  
15 Board for Engineering and Technology (ABET) and that awards an  
16 undergraduate or graduate degree. For the purpose of satisfying  
17 this definition, a program shall qualify if only the undergraduate  
18 program is ABET accredited; and

19           7. "Tuition" means the average annual amount paid by a  
20 qualified employee for enrollment and instruction in a qualified  
21 program. Tuition shall not include the cost of books, fees or room  
22 and board.

23           SECTION 2. This act shall become effective November 1, 2020.  
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1 Passed the Senate the 4th day of March, 2020.

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4 Presiding Officer of the Senate

5 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
6 2020.

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9 Presiding Officer of the House  
10 of Representatives