1	HOUSE OF REPRESENTATIVES - FLOOR VERSION
2	STATE OF OKLAHOMA
3	2nd Session of the 57th Legislature (2020)
4	ENGROSSED SENATE
5	BILL NO. 1461 By: Standridge and David of the Senate
6	and
7	Echols of the House
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10	An Act relating to income tax; amending 68 O.S. 2011,
11	Section 2357.301, as amended by Section 1, Chapter 30, O.S.L. 2014 (68 O.S. Supp. 2019, Section
12	2357.301), which relates to income tax credits; modifying definitions related to credits for
13	aerospace sector; and providing an effective date.
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15	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
16	SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.301, as
17	amended by Section 1, Chapter 30, O.S.L. 2014 (68 O.S. Supp. 2019,
18	Section 2357.301), is amended to read as follows:
19	Section 2357.301. As used in Sections 2357.301 through 2357.304
20	of this title:
21	1. "Aerospace sector" means a private or public organization
22	engaged in the manufacture of aerospace or defense hardware or
23	software, aerospace maintenance, aerospace repair and overhaul,
24	supply of parts to the aerospace industry, provision of services and

- support relating to the aerospace industry, research and development of aerospace technology and systems, and the education and training of aerospace personnel;
  - 2. "Compensation" means payments in the form of contract labor for which the payor is required to provide a Form 1099 to the person paid, wages subject to withholding tax paid to a part-time employee or full-time employee, or salary or other remuneration.
- 8 Compensation shall not include employer-provided retirement, medical 9 or health-care benefits, reimbursement for travel, meals, lodging or 10 any other expense;
  - 3. "Institution" means an institution within The Oklahoma State System of Higher Education or any other public or private college or university that is accredited by a national accrediting body;
  - 4. "Qualified employer" means a sole proprietor, general partnership, limited partnership, limited liability company, corporation, other legally recognized business entity, or public entity whose principal business activity involves the aerospace sector;
  - 5. "Qualified employee" means any person, regardless of the date of hire, employed in this state by or contracting in this state with a qualified employer on or after January 1, 2009, who has been awarded an undergraduate or graduate degree from a qualified program by an institution, and who was not employed in the aerospace sector

in this state immediately preceding employment or contracting with a qualified employer, and who has been either:

- <u>a.</u> awarded an undergraduate or graduate degree from a qualified program by an institution, or
- b. licensed as a Professional Engineer by the State Board
  of Licensure for Professional Engineers and Land
  Surveyors pursuant to Section 475.15 of Title 59 of
  the Oklahoma Statutes.

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

- 6. "Qualified program" means a program that has been accredited by the Engineering Accreditation Commission of the Accreditation

  Board for Engineering and Technology (ABET) and that awards an undergraduate or graduate degree. For the purpose of satisfying this definition, a program shall qualify if only the undergraduate program is ABET accredited; and
- 7. "Tuition" means the average annual amount paid by a qualified employee for enrollment and instruction in a qualified

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program. Tuition shall not include the cost of books, fees or room
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    and board.
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        SECTION 2. This act shall become effective November 1, 2020.
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    DIRECT TO CALENDAR.
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SB1461 HFLR BOLD FACE denotes Committee Amendments.