

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL 735

By: Howard and Garvin of the
Senate

6 and

7 Moore of the House

8
9
10 COMMITTEE SUBSTITUTE

11 An Act relating to income tax credit; creating the
12 Justin Sullivan Trailer Safety Act; providing a
13 credit for the purchase of a safe wheel tethering
14 system for certain semitrailers and frac tanks;
15 providing limit for credits earned; authorizing the
16 carry forward of credit for certain term; creating
17 definition; imposing cap on credits; prescribing
18 formula for adjustment to credit amounts; providing
19 for noncodification; providing for codification; and
20 providing an effective date.

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

22 SECTION 1. NEW LAW A new section of law not to be
23 codified in the Oklahoma Statutes reads as follows:

24 This act shall be known and may be cited as the "Justin Sullivan
Trailer Safety Act".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2358.11 of Title 68, unless
3 there is created a duplication in numbering, reads as follows:

4 A. For tax years 2022 through 2026, there shall be allowed a
5 credit against the income tax imposed by Section 2355 of Title 68 of
6 the Oklahoma Statutes for the purchase of a safe wheel tethering
7 system for each semitrailer as defined by Section 1-162 of Title 47
8 of the Oklahoma Statutes and each frac tank as defined by Section 54
9 of Title 17 of the Oklahoma Statutes and registered under the
10 provisions of the Oklahoma Vehicle License and Registration Act in
11 Sections 1101 et seq. of Title 47 of the Oklahoma Statutes. The
12 amount of the credit shall equal twenty percent (20%) of the
13 purchase price. The total amount of credits earned by an individual
14 or entity shall not exceed Ten Thousand Dollars (\$10,000.00). The
15 amount of the credit allowed but not used in any taxable year may be
16 carried forward as a credit against subsequent income tax liability
17 for a period not exceeding five (5) years following the purchase.

18 B. For the purposes of this section, "safe wheel tethering
19 system" means a system that prevents wheel separation from a trailer
20 using a steel cable that runs through the axle tube of the trailer
21 and is tethered to a pair of wheel-end caps located on opposite ends
22 of the trailer axle.

23 C. The total amount of credits authorized by this section used
24 to offset tax shall be adjusted annually to limit the annual amount

1 of credits to Two Hundred Fifty Thousand Dollars (\$250,000.00). The
2 Oklahoma Tax Commission shall annually calculate and publish a
3 percentage by which the credits authorized by this section shall be
4 reduced so the total amount of credits used to offset tax does not
5 exceed Two Hundred Fifty Thousand Dollars (\$250,000.00) per year.
6 The formula to be used for the percentage adjustment shall be Two
7 Hundred Fifty Thousand Dollars (\$250,000.00) divided by the credits
8 claimed in the second preceding year.

9 SECTION 3. This act shall become effective November 1, 2021.

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