

1 ENGROSSED SENATE  
2 BILL NO. 84

By: Mazzei of the Senate

3 and

4 Sears of the House

5  
6 [ income tax credits - time period - condition  
7 thereto - providing contingent effective date ]  
8

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

10 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.45, is  
11 amended to read as follows:

12 Section 2357.45. A. 1. ~~For~~ Except as otherwise provided in  
13 this subsection, for tax years beginning after December 31, 2004,  
14 there shall be allowed against the tax imposed by Section 2355 of  
15 this title, a credit for any taxpayer who makes a donation to an  
16 independent biomedical research institute and for tax years  
17 beginning after December 31, 2010, a credit for any taxpayer who  
18 makes a donation to a cancer research institute. No credits shall  
19 be allowed pursuant to this section for donations made on or after  
20 January 1, 2021, unless this section is reauthorized by the Oklahoma  
21 Legislature after review of the report required pursuant to  
22 paragraph 14 of Section 5017 of Title 74 of the Oklahoma Statutes.

23 2. The credit authorized by paragraph 1 of this subsection  
24 shall be limited as follows:

- 1 a. for calendar year 2007 and all subsequent years, the  
2 credit percentage, not to exceed fifty percent (50%),  
3 shall be adjusted annually so that the total estimate  
4 of the credits does not exceed Two Million Dollars  
5 (\$2,000,000.00) annually. The formula to be used for  
6 the percentage adjusted shall be fifty percent (50%)  
7 times One Million Dollars (\$1,000,000.00) divided by  
8 the credits claimed in the preceding year for each  
9 donation to an independent biomedical research  
10 institute and fifty percent (50%) times One Million  
11 Dollars (\$1,000,000.00) divided by the credits claimed  
12 in the preceding year for each donation to a cancer  
13 research institute,
- 14 b. in no event shall a taxpayer claim more than one  
15 credit for a donation to any independent biomedical  
16 research institute and one credit for a donation to a  
17 cancer research institute in each taxable year nor  
18 shall the credit exceed One Thousand Dollars  
19 (\$1,000.00) for each taxpayer for each type of  
20 donation,
- 21 c. for tax year 2011, no more than Fifty Thousand Dollars  
22 (\$50,000.00) in total tax credits for donations to a  
23 cancer research institute shall be allowed,  
24

1 d. in no event shall more than fifty percent (50%) of the  
2 Two Million Dollars (\$2,000,000.00) in total tax  
3 credits authorized by this section, for any calendar  
4 year after the effective date of this act, be  
5 allocated for credits for donations to a cancer  
6 research institute, and

7 e. in the event the total tax credits authorized by this  
8 section exceed One Million Dollars (\$1,000,000.00) in  
9 any calendar year for either a cancer research  
10 institute or an independent biomedical research  
11 institute, the Oklahoma Tax Commission shall permit  
12 any excess over One Million Dollars (\$1,000,000.00)  
13 but shall factor such excess into the percentage  
14 adjustment formula for subsequent years for that type  
15 of donation. However, any such adjustment to the  
16 formula for donations to an independent biomedical  
17 research institute shall not affect the formula for  
18 donations to a cancer research institute, and any such  
19 adjustment to the formula for donations to a cancer  
20 research institute shall not affect the formula for  
21 donations to an independent biomedical research  
22 institute.

23 3. For purposes of this section, "independent biomedical  
24 research institute" means an organization which is exempt from

1 taxation pursuant to the provisions of Section 501(c)(3) of the  
2 Internal Revenue Code, 26 U.S.C., Section 501(c)(3) whose primary  
3 focus is conducting peer-reviewed basic biomedical research. The  
4 organization shall:

- 5 a. have a board of directors,
- 6 b. be able to accept grants in its own name,
- 7 c. be an identifiable institute that has its own  
8 employees and administrative staff, and
- 9 d. receive at least Fifteen Million Dollars  
10 (\$15,000,000.00) in National Institute of Health  
11 funding each year.

12 4. For purposes of this section, "cancer research institute"  
13 means an organization which is exempt from taxation pursuant to the  
14 Internal Revenue Code and whose primary focus is raising the  
15 standard of cancer clinical care in Oklahoma through peer-reviewed  
16 cancer research and education or a not-for-profit supporting  
17 organization, as that term is defined by the Internal Revenue Code,  
18 affiliated with a tax-exempt organization whose primary focus is  
19 raising the standard of cancer clinical care in Oklahoma through  
20 peer-reviewed cancer research and education. The tax-exempt  
21 organization whose primary focus is raising the standard of cancer  
22 clinical care in Oklahoma through peer-reviewed cancer research and  
23 education shall:

24

1           a.    either be an independent research institute or a  
2                    program that is part of a state university which is a  
3                    member of The Oklahoma State System of Higher  
4                    Education, and

5           b.    receive at least Four Million Dollars (\$4,000,000.00)  
6                    in National Cancer Institute funding each year.

7           B.    In no event shall the amount of the credit exceed the amount  
8 of any tax liability of the taxpayer.

9           C.    Any credits allowed but not used in any tax year may be  
10 carried over, in order, to each of the four (4) years following the  
11 year of qualification.

12          D.    The Tax Commission shall have the authority to prescribe  
13 forms for purposes of claiming the credit authorized by this  
14 section.

15          SECTION 2. This act shall not become effective as law unless  
16 Senate Bill No. 72 of the 1st Session of the 55th Oklahoma  
17 Legislature becomes effective as law.

