

1 **SENATE FLOOR VERSION**

2 February 23, 2021

3 SENATE BILL NO. 941

By: Jett

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6 An Act relating to income tax; amending 68 O.S. 2011,
7 Section 2357.301, as amended by Section 1, Chapter
8 30, O.S.L. 2014 (68 O.S. Supp. 2020, Section
9 2357.301), which relates to definitions; modifying
10 definition; and providing an effective date.

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

12 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.301, as
13 amended by Section 1, Chapter 30, O.S.L. 2014 (68 O.S. Supp. 2020,
14 Section 2357.301), is amended to read as follows:

15 Section 2357.301. As used in Sections 2357.301 through 2357.304
16 of this title:

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

24 Aerospace sector shall include but not be limited to those aerospace

1 product and parts manufacturing activities defined or classified in
2 the North American Industry Classification System (NAICS) Manual
3 under U.S. Industry Group No. 3364;

4 2. "Compensation" means payments in the form of contract labor
5 for which the payor is required to provide a Form 1099 to the person
6 paid, wages subject to withholding tax paid to a part-time employee
7 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;

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

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

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

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

9 6. "Qualified program" means a program that has been accredited
10 by the Engineering Accreditation Commission of the Accreditation
11 Board for Engineering and Technology (ABET) and that awards an
12 undergraduate or graduate degree; and

13 7. "Tuition" means the average annual amount paid by a
14 qualified employee for enrollment and instruction in a qualified
15 program. Tuition shall not include the cost of books, fees or room
16 and board.

17 SECTION 2. This act shall become effective November 1, 2021.

18 COMMITTEE REPORT BY: COMMITTEE ON FINANCE
19 February 23, 2021 - DO PASS
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