

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 HOUSE BILL 2138

By: McDugle

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5  
6 AS INTRODUCED

7 An Act relating to revenue and taxation; defining  
8 terms; providing for certain income tax exemption;  
9 providing income limit for exemption; authorizing  
10 refund; authorizing appropriation of Oklahoma Income  
11 Tax Adjustment Fund for refund; authorizing Oklahoma  
12 Tax Commission to promulgate rules; providing for  
13 codification; and providing an effective date.

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

15 SECTION 1. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 2358.8 of Title 68, unless there  
17 is created a duplication in numbering, reads as follows:

18 A. As used in this section:

19 1. "Income" means income received directly from the qualifying  
20 employment as compensation for that employment;

21 2. "Qualifying employment" means full-time employment in the  
22 State of Oklahoma; and

23 3. "Qualifying taxpayer" means a taxpayer who:

24 a. is within twelve (12) months of graduating with a

degree from either an accredited private or public

1 university or college or an accredited technology  
2 center school, and

3 b. becomes employed in a qualifying employment.

4 B. Any income received by a qualifying taxpayer from qualifying  
5 employment, up to Seventy-five Thousand Dollars (\$75,000.00), shall  
6 be exempt from Oklahoma income tax during the taxable year in which  
7 the qualifying taxpayer became employed in the qualifying employment  
8 and for the two (2) subsequent taxable years.

9 C. In any case where income tax has been paid upon any income  
10 exempt pursuant to subsection B of this section, the tax monies  
11 shall be refunded to the qualifying taxpayer. The refund shall be  
12 made by the Oklahoma Tax Commission out of the Oklahoma Income Tax  
13 Adjustment Fund, and so much of such fund as is necessary for such  
14 purpose is hereby appropriated.

15 D. The Oklahoma Tax Commission shall promulgate rules necessary  
16 to implement and administer the income tax exemption authorized by  
17 this section.

18 SECTION 2. This act shall become effective January 1, 2024.

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20 59-1-5072 AQH 11/03/22  
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