

1 ENGROSSED HOUSE  
2 BILL NO. 3197

By: Hilbert, Newton, and  
McDugle of the House

3 and

4 Jech of the Senate

5  
6 [ revenue and taxation - Vision Care and Research Tax  
7 Credit Act of 2024 - income tax credit for donation  
8 to vision institute - credit amount limitation -  
9 tax credit prohibited - carryover - cap amount -  
10 cap amount procedures - noncodification -  
11 codification - effective date ]  
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14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

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

17 This act shall be known and may be cited as the "Vision Care and  
18 Research Tax Credit Act of 2024".

19 SECTION 2. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 2357.45.1 of Title 68, unless  
21 there is created a duplication in numbering, reads as follows:

22 A. As used in this section, "vision institute" means an  
23 organization which is exempt from taxation pursuant to the Internal  
24 Revenue Code of 1986, as amended, with a focus on raising the

1 standard of clinical and surgical vision care in Oklahoma through  
2 patient care at or above national standards and peer-reviewed vision  
3 research or a not-for-profit supporting organization, as that term  
4 is defined by the Internal Revenue Code, affiliated with a tax-  
5 exempt organization with a focus on raising the standard of clinical  
6 and surgical vision care in Oklahoma through patient care at or  
7 above national standards and peer-reviewed vision research. The  
8 tax-exempt organization with a focus on raising the standard of  
9 clinical and surgical vision care in Oklahoma through patient care  
10 at or above national standards and peer-reviewed vision research  
11 shall:

- 12 1. Be an independent vision institute;
- 13 2. Have a board of directors;
- 14 3. Be able to accept donations in its own name or the name of  
15 its supporting organization;
- 16 4. Be an identifiable institute that has its own employees and  
17 administrative staff;
- 18 5. Be involved in direct patient care; and
- 19 6. Be involved in the conduct of research funded by the  
20 National Institutes of Health at a minimum level of Two Million  
21 Dollars (\$2,000,000.00) per year averaged over five (5) years.

22 B. For taxable years beginning on or after January 1, 2025,  
23 there shall be allowed as a credit against the tax imposed pursuant  
24 to Section 2355 of Title 68 of the Oklahoma Statutes a credit for

1 any taxpayer who makes a donation to a vision institute. The credit  
2 otherwise authorized by this section shall not exceed One Thousand  
3 Dollars (\$1,000.00) for a single individual, Two Thousand Dollars  
4 (\$2,000.00) for married individuals filing jointly, or Fifty  
5 Thousand Dollars (\$50,000.00) for any taxpayer that is a legal  
6 business entity including limited and general partnerships,  
7 corporations, subchapter S corporations, and limited liability  
8 companies. The dollar amounts for limiting the tax credits as  
9 described by this subsection shall be applicable to each type of  
10 taxpayer for each one of such tax credits and shall not be a  
11 limitation on the aggregate total of all such credits that may be  
12 claimed for any single tax year.

13 C. The tax credit authorized by this section shall not be used  
14 to reduce the tax liability of the taxpayer to less than zero (0).

15 D. To the extent not used, the tax credit authorized by this  
16 section may be carried over, in order, to each of the five (5)  
17 subsequent taxable years.

18 E. For tax years beginning on or after January 1, 2025, the  
19 total amount of credits authorized by this section used to offset  
20 tax shall be adjusted annually to limit the annual amount of credits  
21 to Two Million Dollars (\$2,000,000.00). The Tax Commission shall  
22 annually calculate and publish a percentage by which the credits  
23 authorized by this section shall be reduced so the total amount of  
24 credits used to offset tax does not exceed Two Million Dollars

1 (\$2,000,000.00) per year. The formula to be used for the percentage  
2 adjustment shall be Two Million Dollars (\$2,000,000.00) divided by  
3 the credits used to offset tax in the second preceding year.

4 F. Pursuant to subsection E of this section, in the event the  
5 total tax credits authorized by this section exceed Two Million  
6 Dollars (\$2,000,000.00) in any calendar year, the Tax Commission  
7 shall permit any excess over Two Million Dollars (\$2,000,000.00) but  
8 shall factor such excess into the percentage adjustment formula for  
9 subsequent years.

10 SECTION 3. This act shall become effective January 1, 2025.

11 Passed the House of Representatives the 6th day of March, 2024.

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Presiding Officer of the House  
of Representatives

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16 Passed the Senate the \_\_\_ day of \_\_\_\_\_, 2024.

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Presiding Officer of the Senate

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