

1 STATE OF OKLAHOMA

2 2nd Session of the 58th Legislature (2022)

3 HOUSE BILL 3526

By: Virgin

4  
5  
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68  
8 O.S. 2021, Section 2357.43, which relates to the  
9 earned income tax credit; increasing percent of  
earned income tax credit allowed; and providing an  
effective date.

10  
11  
12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. AMENDATORY 68 O.S. 2021, Section 2357.43, is  
14 amended to read as follows:

15 Section 2357.43 A. For tax years beginning on or after January  
16 1, 2022, and ending not later than December 31, 2022, there shall be  
17 allowed to a resident individual or a part-year resident individual  
18 as a credit against the tax imposed by Section 2355 of this title  
19 five percent (5%) of the earned income tax credit allowed under  
20 Section 32 of the Internal Revenue Code of the United States, 26  
21 U.S.C., Section 32, which for the taxable year beginning January 1,  
22 2022, and the taxable year beginning each January 1 thereafter,  
23 shall be computed using the same requirements, other than the five  
24 percent (5%) amount to compute the credit as prescribed by this

1 section which shall remain constant, in effect for computation of  
2 the earned income tax credit for federal income tax purposes for the  
3 2020 income tax year.

4 B. For the tax year beginning on January 1, 2023, and ending  
5 not later than December 31, 2023, there shall be allowed to a  
6 resident individual or a part-year resident individual as a credit  
7 against the tax imposed by Section 2355 of this title six percent  
8 (6%) of the earned income tax credit allowed under Section 32 of the  
9 Internal Revenue Code of the United States, 26 U.S.C., Section 32.

10 C. For the tax year beginning on January 1, 2024, and ending  
11 not later than December 31, 2024, there shall be allowed to a  
12 resident individual or a part-year resident individual as a credit  
13 against the tax imposed by Section 2355 of this title seven percent  
14 (7%) of the earned income tax credit allowed under Section 32 of the  
15 Internal Revenue Code of the United States, 26 U.S.C., Section 32.

16 D. For the tax year beginning on January 1, 2025, and ending  
17 not later than December 31, 2025, there shall be allowed to a  
18 resident individual or a part-year resident individual as a credit  
19 against the tax imposed by Section 2355 of this title eight percent  
20 (8%) of the earned income tax credit allowed under Section 32 of the  
21 Internal Revenue Code of the United States, 26 U.S.C., Section 32.

22 E. For the tax year beginning on January 1, 2026, and ending  
23 not later than December 31, 2026, there shall be allowed to a  
24 resident individual or a part-year resident individual as a credit

1 against the tax imposed by Section 2355 of this title nine percent  
2 (9%) of the earned income tax credit allowed under Section 32 of the  
3 Internal Revenue Code of the United States, 26 U.S.C., Section 32.

4 F. For tax years beginning on or after January 1, 2027, there  
5 shall be allowed to a resident individual or a part-year resident  
6 individual as a credit against the tax imposed by Section 2355 of  
7 this title ten percent (10%) of the earned income tax credit allowed  
8 under Section 32 of the Internal Revenue Code of the United States,  
9 26 U.S.C., Section 32.

10 G. However, this credit shall not be paid in advance pursuant  
11 to the provisions of Section 3507 of the Internal Revenue Code. For  
12 tax years which begin on or after January 1, 2022, if the credit  
13 exceeds the tax imposed by Section 2355 of this title, the excess  
14 amount shall be refunded to the taxpayer. The maximum earned income  
15 tax credit allowable on the Oklahoma income tax return shall be  
16 prorated on the ratio that Oklahoma adjusted gross income bears to  
17 the federal adjusted gross income.

18 SECTION 2. This act shall become effective January 1, 2023.

19

20 58-2-8567 AQH 01/11/22

21

22

23

24