

1 ENGROSSED SENATE
2 BILL NO. 1498

By: Garvin of the Senate

3 and

4 Archer of the House

5
6 An Act relating to income tax credit; amending 68
7 O.S. 2021, Section 2357.45, which relates to credit
8 for donations to certain research institutes;
9 modifying credit limit for certain institute in
10 certain tax years; updating statutory reference;
11 updating statutory language; and providing an
12 effective date.

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

14 SECTION 1. AMENDATORY 68 O.S. 2021, Section 2357.45, is
15 amended to read as follows:

16 Section 2357.45. A. 1. For tax years beginning after December
17 31, 2004, there shall be allowed against the tax imposed by Section
18 2355 of this title, a credit for any taxpayer who makes a donation
19 to an independent biomedical research institute and for tax years
20 beginning after December 31, 2010, a credit for any taxpayer who
21 makes a donation to a cancer research institute.

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

24 a. ~~for calendar year 2007 and all subsequent years tax~~
years 2007 through 2024, the credit percentage, not to

1 exceed fifty percent (50%), shall be adjusted annually
2 so that the total estimate of the credits does not
3 exceed Two Million Dollars (\$2,000,000.00) annually.
4 The formula to be used for the percentage adjusted
5 shall be fifty percent (50%) times One Million Dollars
6 (\$1,000,000.00) divided by the credits claimed in the
7 preceding year for each donation to an independent
8 biomedical research institute and fifty percent (50%)
9 times One Million Dollars (\$1,000,000.00) divided by
10 the credits claimed in the preceding year for each
11 donation to a cancer research institute,

12 b. for tax year 2025 and subsequent tax years, the credit
13 percentage, not to exceed fifty percent (50%), shall
14 be adjusted annually so that the total estimate of the
15 credits does not exceed One Million Dollars
16 (\$1,000,000.00) annually for donations to independent
17 biomedical research institutes. The formula to be
18 used for the percentage adjusted shall be fifty
19 percent (50%) times One Million Dollars
20 (\$1,000,000.00) divided by the credits claimed in the
21 preceding year for each donation to an independent
22 biomedical research institute,

23 c. for tax year 2025 and subsequent tax years, the credit
24 percentage, not to exceed fifty percent (50%), shall

1 be adjusted annually so that the total estimate of the
2 credits does not exceed Five Hundred Thousand Dollars
3 (\$500,000.00) annually for donations to cancer
4 research institutes. The formula to be used for the
5 percentage adjusted shall be fifty percent (50%) times
6 Five Hundred Thousand Dollars (\$500,000.00) divided by
7 the credits claimed in the preceding year for each
8 donation to a cancer research institute,

9 d. in no event shall a taxpayer claim more than one
10 credit for a donation to any independent biomedical
11 research institute and one credit for a donation to a
12 cancer research institute in each taxable year nor
13 shall the credit exceed One Thousand Dollars
14 (\$1,000.00) for each taxpayer for each type of
15 donation,

16 ~~e.~~ e. for tax year 2011, no more than Fifty Thousand
17 Dollars (\$50,000.00) in total tax credits for
18 donations to a cancer research institute shall be
19 allowed,

20 ~~d.~~ f. in no event shall more than fifty percent (50%)
21 of the ~~Two Million Dollars (\$2,000,000.00)~~ in total
22 tax credits authorized by this section, for any
23 calendar year after ~~the effective date of this act~~

24

1 January 1, 2011, be allocated for credits for
2 donations to a cancer research institute, and
3 ~~e. g.~~ in the event the total tax credits authorized by
4 this section exceed One Million Dollars
5 (\$1,000,000.00) for tax years 2011 through 2024, and
6 Five Hundred Thousand Dollars (\$500,000.00) for tax
7 year 2025 and subsequent tax years, in any calendar
8 year for ~~either~~ a cancer research institute or One
9 Million Dollars (\$1,000,000.00) for an independent
10 biomedical research institute, the Oklahoma Tax
11 Commission shall permit any excess ~~over One Million~~
12 ~~Dollars (\$1,000,000.00)~~ but shall factor such excess
13 into the percentage adjustment formula for subsequent
14 years for that type of donation. However, any such
15 adjustment to the formula for donations to an
16 independent biomedical research institute shall not
17 affect the formula for donations to a cancer research
18 institute, and any such adjustment to the formula for
19 donations to a cancer research institute shall not
20 affect the formula for donations to an independent
21 biomedical research institute.

22 3. For purposes of this section, "independent biomedical
23 research institute" means an organization which is exempt from
24 taxation pursuant to the provisions of Section 501(c)(3) of the

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

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

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

- 23 a. either be an independent research institute or a
24 program that is part of a state university which is a

1 member of The Oklahoma State System of Higher
2 Education, and

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

5 B. In no event shall the amount of the credit exceed the amount
6 of any tax liability of the taxpayer.

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

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

13 SECTION 2. This act shall become effective November 1, 2024.
14 Passed the Senate the 11th day of March, 2024.

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16 _____
17 Presiding Officer of the Senate

18 Passed the House of Representatives the ____ day of _____,
19 2024.

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21 _____
22 Presiding Officer of the House
23 of Representatives
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