

1 **SENATE FLOOR VERSION**

2 February 9, 2016

3 **AS AMENDED**

4 SENATE BILL NO. 1569

5 By: Smalley and Standridge

6 **[income tax - time period - effective date]**

7
8 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

9 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357, as
10 last amended by Section 1, Chapter 147, O.S.L. 2015 (68 O.S. Supp.
11 2015, Section 2357), is amended to read as follows:

12 Section 2357. A. The withheld taxes and estimated taxes paid
13 shall be allowed as credits as provided by law.

14 B. 1. There shall be allowed as a credit against the tax
15 imposed by Section 2355 of this title the amount of tax paid another
16 state by a resident individual, as defined in paragraph 4 of Section
17 2353 of this title, upon income received as compensation for
18 personal services in such other state; provided, such credit shall
19 not be allowed with respect to any income specified in Section 114
20 of Title 4 of the United States Code, 4 U.S.C., Section 114, upon
21 which a state is prohibited from imposing an income tax. The credit
22 shall not exceed such proportion of the tax payable under Section
23 2355 of this title as the compensation for personal services subject
24 to tax in the other state and also taxable under Section 2355 of

1 this title bears to the Oklahoma adjusted gross income as defined in
2 paragraph 13 of Section 2353 of this title.

3 2. For tax years beginning after December 31, 2007, and ending
4 before **January 1, 2016,** there shall be allowed to a resident
5 individual or part-year resident individual or nonresident
6 individual member of the Armed Forces as a credit against the tax
7 imposed by Section 2355 of this title twenty percent (20%) of the
8 credit for child care expenses allowed under the Internal Revenue
9 Code of the United States or five percent (5%) of the child tax
10 credit allowed under the Internal Revenue Code, whichever amount is
11 greater. Neither credit authorized by this paragraph shall exceed
12 the tax imposed by Section 2355 of this title. The maximum child
13 care credit allowable on the Oklahoma income tax return shall be
14 prorated on the ratio that Oklahoma adjusted gross income bears to
15 the federal adjusted gross income. The credit authorized by this
16 paragraph shall not be claimed by any taxpayer if the federal
17 adjusted gross income reflected on the Oklahoma return for the
18 taxpayer is in excess of One Hundred Thousand Dollars (\$100,000.00).

19 SECTION 2. This act shall become effective November 1, 2016.

20 COMMITTEE REPORT BY: COMMITTEE ON FINANCE
21 February 9, 2016 - DO PASS AS AMENDED
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