

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

SENATE BILL 236

By: Haste

AS INTRODUCED

An Act relating to income tax; defining terms; providing credit to qualified employers for certain compensation paid and expenses incurred; stipulating credit amount; limiting credit amount; requiring certain compliance for eligibility; prohibiting credit for certain compensation paid and expenses incurred; prohibiting refundability of credit; authorizing the carry forward of credit; limiting annual credit amount; prescribing enforcement of annual limit; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.305 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. As used in this section:

1. "Aerospace and defense sector" means a private or public organization located in this state and engaged in:

a. the manufacture of aerospace defense hardware or software,

- b. aerospace or defense maintenance, repair, and overhaul,
- c. the supply of parts to the aerospace or defense industry,
- d. the provisions of services and support relating to the aerospace or defense industry,
- e. research and development of aerospace technology and systems, and
- f. the training of aerospace or defense personnel;

2. "CMMC" means the Cybersecurity Maturity Model Certification of the United States Department of Defense; and

3. "Qualified employer" means a sole proprietor, general partnership, limited liability partnership, limited liability company, corporation, or other legally recognized business entity in this state whose business:

- a. is engaged in a contract for products or services with the United States Department of Defense that requires CMMC compliance,
- b. has between five and two hundred employees,
- c. is not compliant with CMMC as of January 1, 2026, and
- d. is involved in the aerospace and defense sector.

B. For tax years 2026 through 2031, a qualified employer shall be allowed a credit against the tax imposed pursuant to Section 2355 of Title 68 of the Oklahoma Statutes equal to fifty percent (50%) of

1 compensation paid to employees while achieving CMMC compliance and  
2 expenses incurred to achieve CMMC compliance.

3 C. The credit authorized by subsection B of this section shall  
4 not exceed Fifty Thousand Dollars (\$50,000.00) cumulatively for all  
5 tax years for each qualified employer.

6 D. To be eligible for the credit authorized pursuant to this  
7 section, a qualified employer shall achieve CMMC compliance.

8 E. No credit shall be authorized pursuant to this section for  
9 compensation paid and expenses incurred to maintain CMMC compliance  
10 after initially achieving CMMC compliance.

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

13 G. Any credit claimed, but not used, may be carried forward, in  
14 order, to each of the five (5) subsequent tax years.

15 H. For tax year 2028 and subsequent tax years, the total amount  
16 of credits authorized pursuant to subsection B of this section shall  
17 be adjusted annually to limit the annual amount of credits to Ten  
18 Million Dollars (\$10,000,000.00). The Oklahoma Tax Commission shall  
19 annually calculate and publish a percentage by which the credits  
20 authorized by this section shall be reduced so the total amount of  
21 credits used to offset tax does not exceed the annual limit. The  
22 formula to be used for the percentage adjustment shall be Ten  
23 Million Dollars (\$10,000,000.00) divided by the amount of credit  
24 claimed in the second preceding tax year. In the event the total

1 tax credits authorized by this section exceed the annual limit in  
2 any tax year, the Tax Commission shall permit any excess but shall  
3 factor such excess into the percentage adjustment formula for  
4 subsequent tax years.

5 SECTION 2. This act shall become effective November 1, 2025.

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