

1 ENGROSSED SENATE
2 BILL NO. 915

By: Howard and Hall of the
Senate

3 and

4 Caldwell (Trey) of the
5 House

6
7 An Act relating to income tax deduction; providing
8 deduction for certain investments; requiring the
9 Oklahoma Department of Commerce to determine
10 investors eligible for deduction; requiring the
11 creation of a program within the Oklahoma Department
12 of Commerce; requiring the Oklahoma Department of
13 Commerce to maintain a list; providing for
14 determination of qualified investment; providing
15 certain exemption to the Oklahoma Open Records Act;
16 requiring application to the Oklahoma Department of
17 Commerce for certain certificate; requiring the
18 Oklahoma Department of Commerce to review
19 applications; requiring the Oklahoma Tax Commission
20 to provide certain report; authorizing the Oklahoma
21 Department of Commerce to promulgate rules; providing
22 for codification; and providing an effective date.
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17 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

18 SECTION 1. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 2358.200 of Title 68, unless
20 there is created a duplication in numbering, reads as follows:

21 A. For tax years 2022 through 2026, there shall be allowed a
22 deduction against the taxable income as defined in Section 2353 of
23 Title 68 of the Oklahoma Statutes for making investments in
24 qualified venture capital and growth funds, qualified special

1 purpose investment vehicles and qualified Oklahoma-based startups by
2 accredited investors, as defined by the United States Securities and
3 Exchange Commission (SEC) provided in 17 CFR, Section 230.501
4 (Regulation D). The Oklahoma Department of Commerce shall determine
5 the investments that qualify for the deduction.

6 B. A program shall be created within the Oklahoma Department of
7 Commerce and shall be known as the "Oklahoma Back a Business"
8 program. As part of the Oklahoma Back a Business program, the
9 Oklahoma Department of Commerce shall maintain a list of Oklahoma
10 qualified investments for which the tax deduction may be sought.
11 The list of Oklahoma qualified investments shall reflect diverse
12 industries and geographic locations. In determining whether an
13 investment is a qualified investment that will be eligible for the
14 tax deduction, the Oklahoma Department of Commerce shall consider
15 the potential impact the investment would have on the local and
16 state economy and shall consider the following factors:

- 17 1. The primary location of the entity;
- 18 2. The number of employees located or to be located in this
19 state;
- 20 3. Revenues generated;
- 21 4. The type and amount of investment being sought;
- 22 5. The current capitalization level and strategy; and
- 23 6. The industry classification.

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1 C. Any records sent to or received by the Oklahoma Department
2 of Commerce will not be subject to disclosure pursuant to Section
3 24A.10 of Title 51 of the Oklahoma Statutes.

4 D. Accredited investors seeking a tax deduction shall apply to
5 the Oklahoma Department of Commerce for a tax deduction certificate
6 detailing the level of investment in an Oklahoma qualified
7 investment. The Oklahoma Department of Commerce shall review the
8 application to ensure it meets the requirements of the program and
9 forward it to the Oklahoma Tax Commission.

10 E. The Oklahoma Tax Commission shall report once a year to the
11 Oklahoma Department of Commerce the number and amount of tax
12 deductions granted. Upon completion of the report, the Commission
13 shall deliver a copy of the report to the Speaker of the House of
14 Representatives and the President Pro Tempore of the Senate.

15 F. The Department may promulgate rules to enforce the
16 provisions of this act. The Department shall annually publish a
17 report on the program created in this section.

18 SECTION 2. This act shall become effective November 1, 2021.

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