

1 ENGROSSED SENATE
2 BILL NO. 343

By: Mazzei of the Senate

3 and

4 Sears of the House

5
6 [income tax - tax credit for certain qualified
7 property - deleting obsolete language - effective
8 date]
9

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

11 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.22, is
12 amended to read as follows:

13 Section 2357.22. A. For tax years beginning before January 1,
14 2015, there shall be allowed a one-time credit against the income
15 tax imposed by Section 2355 of this title

16 ~~1. For~~ for investments in qualified clean-burning motor vehicle
17 fuel property placed in service after December 31, 1990; ~~and~~

18 ~~2. For investments in qualified electric motor vehicle property~~
19 ~~placed in service after December 31, 1995, and before July 1, 2010.~~

20 B. As used in this section, "qualified clean-burning motor
21 vehicle fuel property" means:

22 1. Equipment installed to modify a motor vehicle which is
23 propelled by gasoline or diesel fuel so that the vehicle may be
24 propelled by ~~a hydrogen fuel cell~~, compressed natural gas, liquefied

1 natural gas or liquefied petroleum gas; ~~provided, equipment~~
2 ~~installed on a vehicle propelled by a hydrogen fuel cell shall only~~
3 ~~be eligible for tax year 2010.~~ The equipment covered by this
4 paragraph must be new and must not have been previously used to
5 modify or retrofit any vehicle propelled by gasoline or diesel fuel;

6 2. A motor vehicle originally equipped so that the vehicle may
7 be propelled by a ~~hydrogen fuel cell~~, compressed natural gas,
8 liquefied natural gas or liquefied petroleum gas but only to the
9 extent of the portion of the basis of such motor vehicle which is
10 attributable to the storage of such fuel, the delivery to the engine
11 of such motor vehicle of such fuel, and the exhaust of gases from
12 combustion of such fuel. ~~A motor vehicle originally equipped so~~
13 ~~that the vehicle may be propelled by a hydrogen fuel cell shall only~~
14 ~~be eligible for tax year 2010;~~

15 3. Property, not including a building and its structural
16 components, which is:

17 a. directly related to the delivery of compressed natural
18 gas, liquefied natural gas or liquefied petroleum gas, ~~or~~
19 ~~hydrogen~~, for commercial purposes or for a fee or
20 charge, into the fuel tank of a motor vehicle
21 propelled by such fuel including compression equipment
22 and storage tanks for such fuel at the point where
23 such fuel is so delivered but only if such property is
24 not used to deliver such fuel into any other type of

1 storage tank or receptacle and such fuel is not used
2 for any purpose other than to propel a motor vehicle,
3 or

4 b. a metered-for-fee, public access recharging system for
5 motor vehicles propelled in whole or in part by
6 electricity. The property covered by this paragraph
7 must be new, and must not have been previously
8 installed or used to refuel vehicles powered by
9 compressed natural gas, liquefied natural gas or
10 liquefied petroleum gas, ~~hydrogen~~ or electricity.

11 ~~Any property covered by this paragraph which is related to the~~
12 ~~delivery of hydrogen into the fuel tank of a motor vehicle shall~~
13 ~~only be eligible for tax year 2010; or~~

14 4. Property which is directly related to the compression and
15 delivery of natural gas from a private home or residence, for
16 noncommercial purposes, into the fuel tank of a motor vehicle
17 propelled by compressed natural gas. The property covered by this
18 paragraph must be new and must not have been previously installed or
19 used to refuel vehicles powered by natural gas.

20 C. ~~As used in this section, "qualified electric motor vehicle~~
21 ~~property" means a motor vehicle originally equipped to be propelled~~
22 ~~only by electricity; provided, if a motor vehicle is also equipped~~
23 ~~with an internal combustion engine, then such vehicle shall be~~
24 ~~considered "qualified electric motor vehicle property" only to the~~

1 ~~extent of the portion of the basis of such motor vehicle which is~~
2 ~~attributable to the propulsion of the vehicle by electricity. The~~
3 ~~term "qualified electric motor vehicle property" shall not apply to~~
4 ~~vehicles known as "golf carts", "go-carts" and other motor vehicles~~
5 ~~which are manufactured principally for use off the streets and~~
6 ~~highways.~~

7 ~~D.~~ As used in this section, "motor vehicle" means a motor
8 vehicle originally designed by the manufacturer to operate lawfully
9 and principally on streets and highways.

10 ~~E.~~ D. The credit provided for in subsection A of this section
11 shall be as follows:

12 1. For the qualified clean-burning motor vehicle fuel property
13 defined in paragraph 1 or 2 of subsection B of this section ~~and for~~
14 ~~the qualified electric motor vehicle property~~, fifty percent (50%)
15 of the cost of the qualified clean-burning motor vehicle fuel
16 property ~~or qualified electric motor vehicle property;~~

17 2. For qualified clean-burning motor vehicle fuel property
18 defined in paragraph 3 of subsection B of this section, a per-
19 location credit of seventy-five percent (75%) of the cost of the
20 qualified clean-burning motor vehicle fuel property; and

21 3. For qualified clean-burning motor vehicle fuel property
22 defined in paragraph 4 of subsection B of this section, a per-
23 location credit of the lesser of fifty percent (50%) of the cost of
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1 the qualified clean-burning motor vehicle fuel property or Two
2 Thousand Five Hundred Dollars (\$2,500.00).

3 ~~F.~~ E. In cases where no credit has been claimed pursuant to
4 paragraph 1 of subsection E of this section by any prior owner and
5 in which a motor vehicle is purchased by a taxpayer with qualified
6 clean-burning motor vehicle fuel property ~~or qualified electric~~
7 ~~motor vehicle property~~ installed by the manufacturer of such motor
8 vehicle and the taxpayer is unable or elects not to determine the
9 exact basis which is attributable to such property, the taxpayer may
10 claim a credit in an amount not exceeding the lesser of ten percent
11 (10%) of the cost of the motor vehicle or One Thousand Five Hundred
12 Dollars (\$1,500.00).

13 ~~G.~~ F. If the tax credit allowed pursuant to subsection A of
14 this section exceeds the amount of income taxes due or if there are
15 no state income taxes due on the income of the taxpayer, the amount
16 of the credit not used as an offset against the income taxes of a
17 taxable year may be carried forward as a credit against subsequent
18 income tax liability for a period not to exceed five (5) years.

19 ~~H.~~ G. A husband and wife who file separate returns for a
20 taxable year in which they could have filed a joint return may each
21 claim only one-half (1/2) of the tax credit that would have been
22 allowed for a joint return.

23 ~~I.~~ H. The Oklahoma Tax Commission is herein empowered to
24 promulgate rules by which the purpose of this section shall be

1 administered, including the power to establish and enforce penalties
2 for violations thereof.

3 SECTION 2. This act shall become effective November 1, 2013.

4 Passed the Senate the 25th day of February, 2013.

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Presiding Officer of the Senate

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8 Passed the House of Representatives the ____ day of _____,

9 2013.

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Presiding Officer of the House
of Representatives

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