

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 2502

By: McCall

COMMITTEE SUBSTITUTE

An Act relating to revenue and taxation; providing for income tax credit for certain classroom teachers based upon purchase of eligible classroom items and teacher certification fees; defining terms; providing for amount of tax credit; restricting use of credits to reduce tax liability below certain amount; providing for carryover; specifying ability to use credit on joint income tax returns; 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 2357.501 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. As used in this section:

1. "Classroom teacher" means a person certified by the State Department of Education who at the time of the expenditure for an eligible classroom item was actively engaged in performing classroom instruction or who reasonably anticipates being engaged in

1 performing classroom instruction in any grade from pre-kindergarten
2 through twelfth grade in any common school of the state;

3 2. "Eligible classroom item" means paper, pencils, pens,
4 erasers, safety scissors, glue, glue sticks, adhesive tapes,
5 crayons, colored pencils, colored markers, construction paper,
6 poster board, arts and crafts supplies, notebooks, rulers,
7 protractors, and similar supplies used and useful in a classroom for
8 providing instruction to students, but excludes any single item of
9 tangible personal property with a retail sales price in excess of
10 One Hundred Dollars (\$100.00); and

11 3. "Eligible teacher certification fee" means a fee imposed
12 pursuant to the provisions of Title 70 of the Oklahoma Statutes or
13 an administrative rule of the State Department of Education required
14 to be paid in order to obtain or maintain the ability to provide
15 classroom instruction in a public school of this state.

16 B. For taxable years beginning on or after January 1, 2020,
17 there shall be allowed as a credit against the tax imposed pursuant
18 to Section 2355 of Title 68 of the Oklahoma Statutes in the maximum
19 amount of One Thousand Dollars (\$1,000.00) for eligible classroom
20 items purchased by a classroom teacher and eligible teacher
21 certification fees.

22 C. In order to claim the tax credit authorized by this section,
23 the taxpayer shall retain a copy of the receipt or receipts for
24 purchases of tangible personal property as described in subsection A

1 of this section and proof of payment for eligible teacher
2 certification fees and shall, if required by the Oklahoma Tax
3 Commission, attach either a copy of the receipt or provide such
4 statement as the Tax Commission may require regarding the
5 eligibility of the expenditures for the tax credit as part of the
6 applicable income tax return.

7 D. The credit authorized by this section may not be used to
8 reduce the tax liability to less than zero (0).

9 E. To the extent not used, the credit authorized by this
10 section may be carried over, in order, to each of the five (5)
11 subsequent taxable years.

12 F. The credit authorized by this section may be claimed by each
13 person for purposes of filing a joint income tax return. The
14 maximum amount of income tax credit allowable shall not exceed Two
15 Thousand Dollars (\$2,000.00) on a joint income tax return.

16 SECTION 2. This act shall become effective January 1, 2020.

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