

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 CONFERENCE COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED

5 SENATE BILL 608

6 By: Hall of the Senate

7 and

8 Fetgatter, Hill, Pittman  
9 and Waldron of the House

10 CONFERENCE COMMITTEE SUBSTITUTE

11 An Act relating to film production incentives;  
12 creating the Filmed in Oklahoma Act of 2021;  
13 providing definitions; creating incentive rebate  
14 program; requiring the Oklahoma Department of  
15 Commerce and the Oklahoma Tax Commission to  
16 administer the program; requiring submission of  
17 certain report; authorizing the promulgation of  
18 rules; providing for eligibility for rebate;  
19 prohibiting rebate payment while obtaining certain  
20 tax exemption; requiring repayment of certain  
21 exemption to obtain rebate; requiring the Department  
22 to approve or disapprove claims; requiring the  
23 Commission to issue payment for approved claims;  
24 requiring payments for claims to be made in the order  
they are approved upon certain circumstance;  
providing limit for certain claims each fiscal year;  
providing minimum expenditure requirement for  
eligibility; adding unutilized rebate payments to the  
subsequent fiscal year limit; designating base rebate  
amount for certain projects; offering supplemental  
rebate amounts for certain actions; clarifying post-  
production expenditures; requiring the utilization of  
apprentices to qualify for certain rebate; requiring  
the display of certain logo; providing exception;  
creating the Filmed in Oklahoma Program Revolving  
Fund; providing sources of fund; providing for  
expenditures; directing the transfer of certain funds  
upon expiration of act; prohibiting eligibility of  
certain projects receiving certain rebates; providing

1 date of expiration of act; authorizing the payment of  
2 certain claims after expiration; amending 68 O.S.  
3 2011, Section 2352, as last amended by Section 3,  
4 Chapter 15, O.S.L. 2020 (68 O.S. Supp. 2020, Section  
5 2352), which relates to the distribution of income  
6 tax revenue; providing for transfer of funds to the  
7 Commission; providing for codification; providing an  
8 effective date; declaring an emergency; and providing  
9 a conditional effective date.

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

11 SECTION 1. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 3631 of Title 68, unless there  
13 is created a duplication in numbering, reads as follows:

14 This act shall be known and may be cited as the "Filmed in  
15 Oklahoma Act of 2021".

16 SECTION 2. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 3632 of Title 68, unless there  
18 is created a duplication in numbering, reads as follows:

19 As used in the Filmed in Oklahoma Act of 2021:

20 1. "Above-the-line personnel" means producers, principal cast,  
21 screenwriters and directors who work on production of films or  
22 television series. The qualifying salary of above-the-line  
23 personnel may be included as crew, as defined in paragraph 3 of this  
24 section, if the salaries are paid to loan-out corporations and  
limited liability companies registered to do business in this state  
or the salaries are paid to Oklahoma-based above-the-line personnel.

1 The qualifying salary of above-the-line personnel shall not comprise  
2 more than twenty-five percent (25%) of total expenditures as defined  
3 in paragraph 5 of this section. For purposes of this paragraph,  
4 "Oklahoma-based" means a company or individual with an Oklahoma  
5 income tax requirement;

6 2. "Apprentice" means a person who works for a skilled or  
7 qualified person in order to learn a trade or profession for an  
8 agreed-upon period of time. An apprentice may work in any of the  
9 trades recognized by the Oklahoma Department of Commerce as  
10 necessary for a film production;

11 3. "Crew" means any person who works on preproduction,  
12 principal photography and postproduction, with the exception of  
13 above-the-line-personnel;

14 4. "Eligible television series" means a project if either  
15 seventy-five percent (75%) of the series season is filmed within the  
16 state or, for an episodic television pilot, if more than seventy-  
17 five percent (75%) of the pilot is filmed within the state;

18 5. "Expenditure" or "production cost" includes but is not  
19 limited to:

20 a. wages or salaries of persons who are residents of this  
21 state and who have earned income from working on a  
22 film in this state including payments to personal  
23 services corporations with respect to the services of  
24 qualified performing artists, pursuant to the

1 provisions of the Internal Revenue Code, 26 U.S.C.,  
2 Section 62(a)(2),

3 b. the cost of construction and operations, wardrobe,  
4 accessories and related services,

5 c. the cost of photography, sound synchronization,  
6 lighting and related services,

7 d. the cost of editing and related services,

8 e. rental of facilities and equipment,

9 f. other direct costs of producing a film, and

10 g. the wages and salaries of persons who are defined and  
11 registered as an Oklahoma Expatriate by the Office of  
12 the Oklahoma Film and Music Commission;

13 6. "Film" means a professional single media, multimedia program  
14 or feature, which is not child pornography as defined in subsection  
15 A of Section 1024.1 of Title 21 of the Oklahoma Statutes or obscene  
16 material as defined in paragraph 1 of subsection B of Section 1024.1  
17 of Title 21 of the Oklahoma Statutes including, but not limited to,  
18 national advertising messages that are broadcast on a national  
19 affiliate or cable network, fixed on film or digital video, which  
20 can be viewed or reproduced and which is exhibited in theaters,  
21 licensed for exhibition by individual television stations, groups of  
22 stations, networks, cable television stations or other means or  
23 licensed for home viewing markets. The term shall also include  
24

1 filming for interactive and video gaming including, but not limited  
2 to, green screen, motion capture and similar production techniques;

3 7. "Multi-film deal" means a project in which a production  
4 company films at least seventy-five percent (75%) of main crew  
5 principal photography for three (3) or more films in this state  
6 within three (3) years or where the third film starts main crew  
7 principal photography within the three (3) year period;

8 8. "Nonresident crew member" means a person who is not an  
9 Oklahoma resident, hired for a qualifying production project  
10 occurring within the state and who is subject to the payment of  
11 Oklahoma employment taxes;

12 9. "Production company" means a person, producer or company who  
13 produces film for exhibition in theaters, on television or  
14 elsewhere;

15 10. "Qualified production expenditure amount" means an  
16 expenditure defined pursuant to paragraph 5 of this section; and

17 11. "Qualified soundstage facility" means a state certified  
18 industry standard soundstage facility having not less than seven  
19 thousand five hundred (7,500) square feet of combined soundstage  
20 space and with a total state rental cost to the production company  
21 equal to at least one percent (1%) of the qualifying Oklahoma  
22 expenditures with respect to a production.

23

24

1 SECTION 3. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 3633 of Title 68, unless there  
3 is created a duplication in numbering, reads as follows:

4 A. There is hereby created an incentive rebate program for  
5 certain film projects and eligible television series projects filmed  
6 or produced in Oklahoma who meet the requirements of this act.

7 B. The rebate program shall be administered by the Oklahoma  
8 Department of Commerce and the Oklahoma Tax Commission.

9 C. By October 1 of each year, the Oklahoma Department of  
10 Commerce shall submit an annual report to the Speaker of the House  
11 of Representatives, the President Pro Tempore of the Senate, the  
12 Chair of the Appropriations and Budget Committee of the House of  
13 Representatives, the Chair of the Appropriations Committee of the  
14 Senate and the Director of the Legislative Office of Fiscal  
15 Transparency detailing the program and incentive rebate payments.

16 D. The Oklahoma Department of Commerce and the Oklahoma Tax  
17 Commission may promulgate rules to implement the provisions of this  
18 act.

19 E. To be eligible for a rebate payment a production company  
20 shall:

21 1. Submit an application and documentation to the Oklahoma  
22 Department of Commerce as required by the Department;

23 2. Have filed any Oklahoma tax returns and tax documents  
24 required by law;

1           3. Provide evidence that all Oklahoma crew and local vendors  
2 have been paid and that there are no pending liens against the  
3 production company in this state;

4           4. Provide evidence of financing for production prior to the  
5 commencement of principal photography;

6           5. Provide evidence of a certificate of general liability  
7 insurance with a minimum coverage of One Million Dollars  
8 (\$1,000,000.00) and a workers' compensation policy in compliance  
9 with law, which shall include coverage of employer's liability; and

10          6. Provide evidence, as required by the Department, that the  
11 projects pursuant to this act are completed.

12          F. A production company shall not be eligible to receive both a  
13 rebate payment pursuant to the provisions of this act and an  
14 exemption from sales tax pursuant to the provisions of paragraph 23  
15 of section 1357 of Title 68 of the Oklahoma Statutes. If a  
16 production company has received the exemption from sales taxes and  
17 submits a claim for rebate pursuant to the provisions of this act,  
18 the company shall be required to fully repay the amount of the  
19 exemption to the Tax Commission. A claim for a rebate shall include  
20 documentation from the Tax Commission that repayment has been made  
21 as required in this subsection or shall include an affidavit from  
22 the production company that the company has not received an  
23 exemption from sales tax pursuant to the provisions of paragraph 23  
24 of Section 1357 of Title 68 of the Oklahoma Statutes.

1 G. The Department of Commerce shall approve or disapprove all  
2 claims for rebate and shall notify the Tax Commission subject to the  
3 limitations set forth in Section 4 of this act. Upon notification  
4 of approval from the Department, the Commission shall issue payment  
5 for all approved claims from funds held in the Filmed in Oklahoma  
6 Program Revolving Fund created pursuant to Section 9 of this act and  
7 subject to the limitations set forth in Section 4 of this act. If  
8 the amount of approved claims exceeds the balance of the revolving  
9 fund, payments shall be made in the order the claims are approved by  
10 the Department. If an approved claim is not paid in whole, the  
11 unpaid claim or unpaid portion of the claim shall be paid upon the  
12 availability of funds.

13 SECTION 4. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 3634 of Title 68, unless there  
15 is created a duplication in numbering, reads as follows:

16 A. The total amount of rebate payments conditionally pre-  
17 qualified by the Department of Commerce each fiscal year with  
18 respect to any of the incentives authorized pursuant to this act  
19 shall not exceed Thirty Million Dollars (\$30,000,000.00). Projects  
20 not conditionally pre-qualified for rebate payments due to the  
21 limitations provided in this section may be conditionally pre-  
22 qualified by the Department in subsequent fiscal years.

23  
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1 B. The amount of rebate payments conditionally pre-qualified by  
2 the Department of Commerce each fiscal year with respect to any of  
3 the incentives authorized pursuant to this act shall not exceed:

4 1. Seven Million Five Hundred Thousand Dollars (\$7,500,000.00)  
5 for production projects with total expenditures of less than Seven  
6 Million Five Hundred Thousand Dollars (\$7,500,000.00); and

7 2. Twenty-two Million Five Hundred Thousand Dollars  
8 (\$22,500,000.00) for production projects with total expenditures of  
9 Seven Million Five Hundred Thousand Dollars (\$7,500,000.00) or more.

10 C. A production project shall have total expenditures of Fifty  
11 Thousand Dollars (\$50,000.00) or more to be eligible for the rebate  
12 payments provided in this act.

13 D. In any fiscal year if the amount of rebate payments  
14 conditionally pre-qualified by the Department of Commerce are less  
15 than the limitations provided in this section, the excess rebate  
16 payments not utilized shall be added to subsequent fiscal year's  
17 limitation.

18 SECTION 5. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 3635 of Title 68, unless there  
20 is created a duplication in numbering, reads as follows:

21 A. Subject to the final approval of the eligibility application  
22 by the Oklahoma Department of Commerce, a requirement that the  
23 incentive payments made pursuant to the provisions of this act  
24 achieve the maximum positive impact for the Oklahoma economy and

1 subject to the Oklahoma workforce requirements of Section 7 of this  
2 act, the base incentive amount for a project filmed in this state  
3 shall be a maximum of twenty percent (20%) of the qualified  
4 production expenditure amount. An incentive for a project filmed in  
5 this state for wages paid to nonresident crew, not including above-  
6 the-line personnel, before July 1, 2023, shall be provided in the  
7 amount of seven and one-half percent (7.5%).

8 B. In addition to the amount authorized by subsection A of this  
9 section, there may be an additional incentive amount, subject to the  
10 final approval of the Oklahoma Department of Commerce, in the  
11 maximum amount of:

12 1. Three percent (3%) of the qualified production expenditure  
13 amount for projects where at least twenty-five percent (25%) of main  
14 crew principal photography days are filmed on location, excluding  
15 sound stage production, in any county of this state if the county  
16 has a population of less than two hundred fifty thousand (250,000)  
17 persons according to the federal Decennial Census or most recent  
18 population estimate;

19 2. Two percent (2%) of the qualified production expenditure  
20 amount for projects whose hub location, as determined by the  
21 Department, is or projects where at least twenty-five percent (25%)  
22 of main crew principal photography days are filmed on location,  
23 excluding sound stage production, in a municipality having a  
24 population of thirteen thousand (13,000) or fewer persons according

1 to the federal Decennial Census or most recent population estimate  
2 regardless of the county in which the municipality is located or  
3 partially located;

4 3. Five percent (5%) of the qualified production expenditure  
5 amount for soundstage expenditures if at least twenty-five percent  
6 (25%) of main crew principal photography days are filmed at a  
7 qualified soundstage facility;

8 4. For eligible television series as defined in paragraph 4 of  
9 Section 2 of this act:

10 a. two percent (2%) of the qualified production  
11 expenditure amount for an eligible television episodic  
12 pilot, and

13 b. five percent (5%) of the qualified production  
14 expenditure amount if a television series is filmed  
15 for one or more seasons;

16 5. Five percent (5%) of the qualified production expenditure  
17 amount for an eligible multi-film deal as defined in paragraph 7 of  
18 Section 2 of this act; and

19 6. Three percent (3%) of the qualified production expenditure  
20 amount based on expenditures paid to Oklahoma vendors for post-  
21 production expenses with a minimum expenditure of three percent (3%)  
22 of Oklahoma production expenditures. Post-production expenditures  
23 include but are not limited to the following categories:

24 a. sound recording or mixing,

- 1           b. color grading,
- 2           c. editorial work,
- 3           d. visual effects,
- 4           e. animation,
- 5           f. deliverables, excluding marketing and advertising,
- 6           g. music production, recording, mixing or composition,
- 7           h. licensing of Oklahoma music, and
- 8           i. editing equipment or editing facility rental.

9           SECTION 6.       NEW LAW       A new section of law to be codified  
10 in the Oklahoma Statutes as Section 3636 of Title 68, unless there  
11 is created a duplication in numbering, reads as follows:

12           A. Subject to the final approval of the eligibility application  
13 by the Oklahoma Department of Commerce, and subject to the  
14 requirement that incentive payments pursuant to the provisions of  
15 this act have the maximum positive impact for the economy of the  
16 state, the base incentive amount for post-production activity  
17 occurring in this state for a project filmed outside this state  
18 shall be a maximum of twenty percent (20%) of the qualified  
19 production expenditure amount.

20           B. In addition to the amount authorized by subsection A of this  
21 section, there may be an additional incentive amount, subject to the  
22 final approval of the Oklahoma Department of Commerce, for eligible  
23 television series as defined in paragraph 4 of Section 2 of this act  
24 in the following amounts:

1        1. Two percent (2%) of the qualified production expenditure  
2 amount for an eligible episodic television pilot; and

3        2. Five percent (5%) of the qualified production expenditure  
4 amount if the television series is filmed for one or more seasons.

5        C. In addition to the amount authorized by subsection A of this  
6 section, there may be an additional five percent (5%) of the  
7 qualified production expenditure amount, subject to the final  
8 approval of the Oklahoma Department of Commerce, for an eligible  
9 multi-film deal, as defined in paragraph 7 of Section 2 of this act,  
10 produced outside this state.

11        D. The provisions of this section shall be applicable only with  
12 respect to qualified production expenditure amounts for post-  
13 production activity occurring within the state including, but not  
14 limited to, the following categories:

- 15        1. Sound recording or mixing;
- 16        2. Color grading;
- 17        3. Editorial work;
- 18        4. Visual effects;
- 19        5. Animation;
- 20        6. Deliverables, excluding marketing and advertising;
- 21        7. Music production, recording, mixing or composition;
- 22        8. Licensing of Oklahoma music; and
- 23        9. Editing equipment or editing facility rental.

24

1 SECTION 7. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 3637 of Title 68, unless there  
3 is created a duplication in numbering, reads as follows:

4 To qualify for the maximum twenty percent (20%) base incentive  
5 payment authorized for Oklahoma production projects pursuant to  
6 subsection A of Section 5 of this act, the production project shall  
7 utilize the services of apprentices according to the following  
8 requirements:

9 1. For a production with expenditures of Seven Million Five  
10 Hundred Thousand Dollars (\$7,500,000.00) or less, two (2)  
11 apprentices;

12 2. For a production with expenditures greater than Seven  
13 Million Five Hundred Thousand Dollars (\$7,500,000.00) and Fifteen  
14 Million Dollars (\$15,000,000.00) or less, four (4) apprentices;

15 3. For a production with expenditures greater than Fifteen  
16 Million Dollars (\$15,000,000.00) and Twenty-five Million Dollars  
17 (\$25,000,000.00) or less, eight (8) apprentices; and

18 4. For a production with expenditures greater than Twenty-five  
19 Million Dollars (\$25,000,000.00), sixteen (16) apprentices.

20 SECTION 8. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 3638 of Title 68, unless there  
22 is created a duplication in numbering, reads as follows:

23 All production projects for which any incentive is paid pursuant  
24 to the provisions of this act shall contain a logo, as approved by

1 the Oklahoma Department of Commerce, to be displayed in the end  
2 credits of the finished production or, if the production does not  
3 contain end credits, the Oklahoma Department of Commerce shall  
4 obtain a commitment by the production company to provide equivalent  
5 value as determined by the Oklahoma Department of Commerce.

6 SECTION 9. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 3639 of Title 68, unless there  
8 is created a duplication in numbering, reads as follows:

9 A. There is hereby created in the State Treasury a revolving  
10 fund for the Oklahoma Tax Commission to be designated the "Filmed in  
11 Oklahoma Program Revolving Fund". The fund shall be a continuing  
12 fund, not subject to fiscal year limitations, and shall consist of  
13 all monies received by the Tax Commission which are specifically  
14 required by law to be deposited in the fund, any public or private  
15 donations, contributions and gifts received for the benefit of the  
16 fund and any amounts appropriated by the Oklahoma Legislature. All  
17 monies accruing to the credit of the fund are hereby appropriated  
18 and may be budgeted and expended by the Tax Commission for the  
19 purpose of paying rebates as provided in this act. Expenditures  
20 from the fund shall be made upon warrants issued by the State  
21 Treasurer against claims filed as prescribed by law with the  
22 Director of the Office of Management and Enterprise Services for  
23 approval and payment.

24

1 B. Any unencumbered funds remaining in the Filmed in Oklahoma  
2 Program Revolving Fund upon the expiration of this act as provided  
3 in Section 11 of this act shall be transferred to the State  
4 Treasurer for deposit in the General Revenue Fund.

5 SECTION 10. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 3640 of Title 68, unless there  
7 is created a duplication in numbering, reads as follows:

8 Any company or entity that receives rebate payments for a  
9 project pursuant to the provisions of the Compete with Canada Film  
10 Act shall not be eligible for rebate payments provided pursuant to  
11 this act for the same project.

12 SECTION 11. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 3641 of Title 68, unless there  
14 is created a duplication in numbering, reads as follows:

15 The provisions of this act shall cease to have the force and  
16 effect of law on June 30, 2031. Incentive payments may be made  
17 after such date to the extent necessary for payment of claims based  
18 on projects approved not later than June 30, 2031.

19 SECTION 12. AMENDATORY 68 O.S. 2011, Section 2352, as  
20 last amended by Section 3, Chapter 15, O.S.L. 2020 (68 O.S. Supp.  
21 2020, Section 2352), is amended to read as follows:

22 Section 2352. It is hereby declared to be the purpose of  
23 Section 2351 et seq. of this title to provide revenue for general  
24 governmental functions of state government; and, for that purpose



1 and to that end, it is expressly declared that the revenue derived  
2 herefrom and penalties and interest thereon, subject to the  
3 apportionment requirements for the Rebuilding Oklahoma Access and  
4 Driver Safety Fund, the Oklahoma Tourism and Passenger Rail  
5 Revolving Fund, the Public Transit Revolving Fund, and the Education  
6 Reform Revolving Fund to be derived from income tax revenue that  
7 would otherwise be apportioned to the General Revenue Fund as  
8 provided by Section 1521 of Title 69 of the Oklahoma Statutes,  
9 subject to the apportionment requirements for the Oklahoma Tax  
10 Commission and Office of Management and Enterprise Services Joint  
11 Computer Enhancement Fund provided by Section 265 of this title, and  
12 subject to the apportionment requirements for the Oklahoma State  
13 Capitol Building Repair and Restoration Fund provided by Section 19  
14 of Title 73 of the Oklahoma Statutes, shall be distributed as  
15 follows:

16 1. For the fiscal year beginning July 1, 2002, the first Five  
17 Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue  
18 derived pursuant to the provisions of subsections A, B and E of  
19 Section 2355 of this title shall be apportioned to the Education  
20 Reform Revolving Fund. The remainder of such revenue for the fiscal  
21 year beginning July 1, 2002, and all such revenue for each fiscal  
22 year thereafter shall be apportioned monthly as follows:

23 a. the following amounts shall be paid to the State  
24 Treasurer to be placed to the credit of the General

1 Revenue Fund of the state for such fiscal year for the  
2 support of the state government to be paid out only  
3 pursuant to appropriation by the Legislature:

4 Fiscal Year	Amount
5 FY 2003 and FY 2004	87.12%
6 FY 2005	86.91%
7 FY 2006	86.66%
8 FY 2007	86.16%
9 FY 2008 through FY 2022	85.66%
10 FY 2023 through FY 2027	85.16%
11 FY 2028 and each fiscal year thereafter	85.66%

12 Of the funds apportioned to the General Revenue Fund  
13 pursuant to this subparagraph, until the expiration of  
14 the Filmed in Oklahoma Act of 2021 as provided in  
15 Section 11 of this act, Thirty Million Dollars  
16 (\$30,000,000.00) shall be transferred to the Oklahoma  
17 Tax Commission for deposit in the Filmed in Oklahoma  
18 Program Revolving Fund,

19 b. the following amounts shall be paid to the State  
20 Treasurer to be placed to the credit of the Education  
21 Reform Revolving Fund of the State Department of  
22 Education:

23 (1) for FY 2003 through FY 2020, eight and thirty-  
24 four one-hundredths percent (8.34%),

1 (2) for FY 2021:

2 (a) for the month beginning July 1, 2020,  
3 through the month ending August 31, 2020,  
4 eight and thirty-four one-hundredths percent  
5 (8.34%), and

6 (b) for the month beginning September 1, 2020,  
7 through the month ending June 30, 2021, nine  
8 and eighty-four one-hundredths percent  
9 (9.84%),

10 (3) for FY 2022, nine and fifty-nine one-hundredths  
11 percent (9.59%), and

12 (4) for FY 2023 and each fiscal year thereafter,  
13 eight and thirty-four one-hundredths percent  
14 (8.34%) shall be paid to the State Treasurer to  
15 be placed to the credit of the Education Reform  
16 Revolving Fund,

17 c. the following amounts shall be paid to the State  
18 Treasurer to be placed to the credit of the Teachers'  
19 Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%

1	FY 2008 through FY 2020	5.0%
2	FY 2021:	
3	(1) for the month beginning	
4	July 1, 2020, through	
5	the month ending August	
6	31, 2020	5.0%
7	(2) for the month beginning	
8	September 1, 2020,	
9	through the month ending	
10	June 30, 2021	3.5%
11	FY 2022	3.75%
12	FY 2023 through FY 2027	5.5%
13	FY 2028 and each fiscal	
14	year thereafter	5.0%

15 d. for FY 2003 and each fiscal year thereafter, one  
16 percent (1%) shall be placed to the credit of the Ad  
17 Valorem Reimbursement Fund;

18 2. Beginning July 1, 2003, for any period of time as certified  
19 by the Oklahoma Development Finance Authority and the Oklahoma  
20 Department of Commerce to be necessary for the repayment of  
21 obligations issued by the Oklahoma Development Finance Authority  
22 pursuant to Section 3654 of this title if the other sources of  
23 revenue paid to or apportioned to the Quality Jobs Program Incentive  
24 Leverage Fund are not adequate, including the proceeds from payment

1 pursuant to the guaranty required by subsection M of Section 3654 of  
2 this title, an amount certified by the Oklahoma Development Finance  
3 Authority to the Oklahoma Tax Commission shall be apportioned to the  
4 Quality Jobs Program Incentive Leverage Fund before any other  
5 apportionments are made as otherwise authorized by this paragraph.  
6 The Oklahoma Development Finance Authority shall certify to the  
7 Oklahoma Tax Commission the time as of which the revenue authorized  
8 for apportionment pursuant to this paragraph is no longer required.  
9 After the certification, the revenue derived from the income tax  
10 shall be apportioned in the manner otherwise provided by this  
11 section. Except as otherwise provided by this paragraph, for the  
12 fiscal year beginning July 1, 2002, the first Forty-one Million One  
13 Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of  
14 revenue derived pursuant to the provisions of subsections D and E of  
15 Section 2355 of this title shall be apportioned to the Education  
16 Reform Revolving Fund. The remainder of such revenue for the fiscal  
17 year beginning July 1, 2002, and all such revenue for each fiscal  
18 year thereafter, subject to the apportionment requirements for the  
19 Oklahoma Tax Commission and Office of Management and Enterprise  
20 Services Joint Computer Enhancement Fund provided by Section 265 of  
21 this title, shall be apportioned monthly as follows:

22           a.    the following amounts shall be paid to the State  
23                    Treasurer to be placed to the credit of the General  
24                    Revenue Fund of the state for such fiscal year for the

1 support of the state government to be paid out only  
2 pursuant to appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	78.96%
FY 2005	78.75%
FY 2006	78.50%
FY 2007	78.0%

8 (1) (a) FY 2018 through FY 2022

9 until the apportionment to  
10 the General Revenue Fund  
11 equals the moving five-  
12 year average amount for  
13 corporate income tax as  
14 prescribed by paragraph 3  
15 of this section

77.50%

16 (b) FY 2023 through FY 2027

17 until the apportionment to  
18 the General Revenue Fund  
19 equals the moving five-  
20 year average amount for  
21 corporate income tax as  
22 prescribed by paragraph 3  
23 of this section

77.00%

1 (c) FY 2028 and each fiscal  
2 year thereafter until the  
3 apportionment to the  
4 General Revenue Fund  
5 equals the moving five-  
6 year average amount for  
7 corporate income tax as  
8 prescribed by paragraph 3  
9 of this section 77.50%

10 (2) there shall be apportioned from the tax levy  
11 imposed on corporate income tax to the Revenue  
12 Stabilization Fund created by Section 34.102 of  
13 Title 62 of the Oklahoma Statutes, or to the  
14 Constitutional Reserve Fund, as provided by  
15 Section 34.102 of Title 62 of the Oklahoma  
16 Statutes, the amount of revenue, if any, which  
17 exceeds the moving five-year average amount as  
18 defined pursuant to paragraph 3 of this section,

19 b. the following amounts shall be paid to the State  
20 Treasurer to be placed to the credit of the Education  
21 Reform Revolving Fund of the State Department of  
22 Education:

23 (1) for FY 2003 through FY 2020, sixteen and five-  
24 tenths percent (16.5%),

1 (2) for FY 2021:

2 (a) for the month beginning July 1, 2020,  
3 through the month ending August 31, 2020,  
4 sixteen and five-tenths percent (16.5%), and

5 (b) for the month beginning September 1, 2020,  
6 through the month ending June 30, 2021,  
7 eighteen percent (18%),

8 (3) for FY 2022, seventeen and seventy-five one-  
9 hundredths percent (17.75%), and

10 (4) for FY 2023 and each fiscal year thereafter,  
11 sixteen and five-tenths percent (16.5%),

12 c. the following amounts shall be paid to the State  
13 Treasurer to be placed to the credit of the Teachers'  
14 Retirement System Dedicated Revenue Revolving Fund:

15 Fiscal Year	Amount
16 FY 2003 and FY 2004	3.54%
17 FY 2005	3.75%
18 FY 2006	4.0%
19 FY 2007	4.5%
20 FY 2008 through FY 2020	5.0%
21 FY 2021:	

22 (1) for the month beginning  
23 July 1, 2020, through  
24



1	the month ending August	
2	31, 2020	5.0%
3	(2) for the month beginning	
4	September 1, 2020,	
5	through the month ending	
6	June 30, 2021	3.5%
7	FY 2022	3.75%
8	FY 2023 through FY 2027	5.5%
9	FY 2028 and each fiscal	
10	year thereafter	5.0%

11 d. for FY 2003 and each fiscal year thereafter, one  
12 percent (1%) shall be placed to the credit of the Ad  
13 Valorem Reimbursement Fund; and

14 3. "Moving five-year average for corporate income tax" means,  
15 for purposes of the apportionments prescribed by this section, the  
16 amount of income tax on corporations, as determined by the State  
17 Board of Equalization in the manner prescribed by Section 34.103 of  
18 Title 62 of the Oklahoma Statutes.

19 SECTION 13. This act shall become effective July 1, 2021.

20 SECTION 14. It being immediately necessary for the preservation  
21 of the public peace, health or safety, an emergency is hereby  
22 declared to exist, by reason whereof this act shall take effect and  
23 be in full force from and after its passage and approval.

24

1 SECTION 15. The provisions of this act shall not become  
2 effective as law unless Enrolled House Bill No. 2946 of the 1st  
3 Session of the 58th Oklahoma Legislature becomes effective as law.

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