

1 ENGROSSED SENATE
2 BILL NO. 735

By: Howard and Garvin of the
Senate

3 and

4 Moore of the House

5
6 An Act relating to income tax credit; creating the
7 Justin Sullivan Trailer Safety Act; providing a
8 credit for the purchase of a safe wheel tethering
9 system for certain semitrailers and frac tanks;
10 providing limit for credits earned; authorizing the
11 carry forward of credit for certain term; creating
12 definition; imposing cap on credits; prescribing
13 formula for adjustment to credit amounts; providing
14 for noncodification; providing for codification; and
15 providing an effective date.

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

17 SECTION 1. NEW LAW A new section of law not to be
18 codified in the Oklahoma Statutes reads as follows:

19 This act shall be known and may be cited as the "Justin Sullivan
20 Trailer Safety Act".

21 SECTION 2. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 2358.11 of Title 68, unless
23 there is created a duplication in numbering, reads as follows:

24 A. For tax years 2022 through 2026, there shall be allowed a
credit against the income tax imposed by Section 2355 of Title 68 of
the Oklahoma Statutes for the purchase of a safe wheel tethering
system for each semitrailer as defined by Section 1-162 of Title 47

1 of the Oklahoma Statutes and each frac tank as defined by Section 54
2 of Title 17 of the Oklahoma Statutes and registered under the
3 provisions of the Oklahoma Vehicle License and Registration Act in
4 Sections 1101 et seq. of Title 47 of the Oklahoma Statutes. The
5 amount of the credit shall equal twenty percent (20%) of the
6 purchase price. The total amount of credits earned by an individual
7 or entity shall not exceed Ten Thousand Dollars (\$10,000.00). The
8 amount of the credit allowed but not used in any taxable year may be
9 carried forward as a credit against subsequent income tax liability
10 for a period not exceeding five (5) years following the purchase.

11 B. For the purposes of this section, "safe wheel tethering
12 system" means a system that prevents wheel separation from a trailer
13 using a steel cable that runs through the axle tube of the trailer
14 and is tethered to a pair of wheel-end caps located on opposite ends
15 of the trailer axle.

16 C. The total amount of credits authorized by this section used
17 to offset tax shall be adjusted annually to limit the annual amount
18 of credits to Two Hundred Fifty Thousand Dollars (\$250,000.00). The
19 Oklahoma Tax Commission shall annually calculate and publish a
20 percentage by which the credits authorized by this section shall be
21 reduced so the total amount of credits used to offset tax does not
22 exceed Two Hundred Fifty Thousand Dollars (\$250,000.00) per year.
23 The formula to be used for the percentage adjustment shall be Two
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1 Hundred Fifty Thousand Dollars (\$250,000.00) divided by the credits
2 claimed in the second preceding year.

3 SECTION 3. This act shall become effective November 1, 2021.

4 Passed the Senate the 9th day of March, 2021.

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Presiding Officer of the Senate

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8 Passed the House of Representatives the ____ day of _____,
9 2021.

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Presiding Officer of the House
of Representatives

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