

1                                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2    STATE OF OKLAHOMA

3    2nd Session of the 58th Legislature (2022)

4 ENGROSSED SENATE  
5 BILL NO. 735

By: Howard and Garvin of the  
Senate

6    and

7    Moore and **Hilbert** of the  
8 House

9  
10                            [ income tax credit - providing a credit for the  
11                                    purchase of a safe wheel tethering system for  
12                                    certain semitrailers and frac tanks - effective  
13                                    date ]

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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:

1       A. For tax years 2022 through 2026, there shall be allowed a  
2 credit against the income tax imposed by Section 2355 of Title 68 of  
3 the Oklahoma Statutes for the purchase of a safe wheel tethering  
4 system for each semitrailer as defined by Section 1-162 of Title 47  
5 of the Oklahoma Statutes and each frac tank as defined by Section 54  
6 of Title 17 of the Oklahoma Statutes and registered under the  
7 provisions of the Oklahoma Vehicle License and Registration Act in  
8 Sections 1101 et seq. of Title 47 of the Oklahoma Statutes. The  
9 amount of the credit shall equal twenty percent (20%) of the  
10 purchase price. The total amount of credits earned by an individual  
11 or entity shall not exceed Ten Thousand Dollars (\$10,000.00). The  
12 amount of the credit allowed but not used in any taxable year may be  
13 carried forward as a credit against subsequent income tax liability  
14 for a period not exceeding five (5) years following the purchase.

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

20       C. The total amount of credits authorized by this section used  
21 to offset tax shall be adjusted annually to limit the annual amount  
22 of credits to Two Hundred Fifty Thousand Dollars (\$250,000.00). The  
23 Oklahoma Tax Commission shall annually calculate and publish a  
24 percentage by which the credits authorized by this section shall be

1 reduced so the total amount of credits used to offset tax does not  
2 exceed Two Hundred Fifty Thousand Dollars (\$250,000.00) per year.  
3 The formula to be used for the percentage adjustment shall be Two  
4 Hundred Fifty Thousand Dollars (\$250,000.00) divided by the credits  
5 claimed in the second preceding year.

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

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8 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
9 04/14/2022 - DO PASS, As Amended and Coauthored.

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