

1 STATE OF OKLAHOMA

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

3 SENATE BILL 735

By: Howard

4
5
6 AS INTRODUCED

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

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

16 SECTION 1. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 2358.10 of Title 68, unless
18 there is created a duplication in numbering, reads as follows:

19 A. For tax year 2022 and subsequent tax years, there shall be
20 allowed a credit against the income tax imposed by Section 2355 of
21 Title 68 of the Oklahoma Statutes for the purchase of a safe wheel
22 tethering system for each semitrailer as defined by Section 1-162 of
23 Title 47 of the Oklahoma Statutes and each frac tank as defined by
24 Section 54 of Title 17 of the Oklahoma Statutes and registered under
the provisions of the Oklahoma Vehicle License and Registration Act
in Sections 1101 et seq. of Title 47 of the Oklahoma Statutes. The

1 amount of the credit shall equal fifty percent (50%) of the purchase
2 price not to exceed Four Thousand Dollars (\$4,000.00). The amount
3 of the credit allowed but not used in any taxable year may be
4 carried forward as a credit against subsequent income tax liability
5 for a period not exceeding five (5) years following the purchase.

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

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

21 SECTION 2. This act shall become effective November 1, 2021.

22
23 58-1-621 QD 1/21/2021 1:28:08 PM
24
25