

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 HOUSE BILL NO. 1788

6 By: Maynard

7 COMMITTEE SUBSTITUTE

8 [ rev and tax - terms - contributions - centers -  
9 Oklahoma Department of Human Services -  
10 contributions - information - Oklahoma Tax  
11 Commission - cap - formula - codification -  
12 effective date ]

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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 2357.701 of Title 68, unless  
18 there is created a duplication in numbering, reads as follows:

19 A. As used in this section:

20 1. "Contribution" means a donation of cash, stock, bonds, or  
21 other marketable securities, or real property;

22 2. "Director" means the director of the Oklahoma Department of  
23 Human Services;

1        3. "Pregnancy resource center" means a nonresidential facility  
2 located in this state:

3            a. established and operating primarily to provide  
4 assistance to women and families with crisis  
5 pregnancies or unplanned pregnancies by offering  
6 pregnancy testing, counseling, emotional and material  
7 support, and other similar services or by offering  
8 services, such as:

- 9            (1) prenatal care,  
10           (2) medical and mental health care,  
11           (3) parenting skills,  
12           (4) drug and alcohol testing and treatment,  
13           (5) child care, and newborn and infant care,  
14           (6) housing and utilities,  
15           (7) educational services,  
16           (8) food, clothing, and supplies relating to  
17 pregnancy, newborn care, and parenting,  
18           (9) adoption assistance,  
19           (10) job training and placement,  
20           (11) establishing and promoting responsible paternity,  
21           (12) ultrasound services,  
22           (13) case management,  
23           (14) domestic abuse protection, and  
24           (15) transportation,

1 to encourage and assist such women and families in carrying  
2 their pregnancies to term,

3 b. where childbirths are not performed,

4 c. which does not perform, induce, or refer for abortions  
5 and which does not hold itself out as performing,  
6 inducing, or referring for abortions,

7 d. which provides direct client services at the facility,  
8 as opposed to merely providing counseling or referral  
9 services by telephone,

10 e. which provides its services at no cost to its clients,

11 f. when providing medical services, such medical services  
12 must be performed in accordance with Oklahoma Statute,  
13 and

14 g. which is exempt from income taxation pursuant to the  
15 Internal Revenue Code; and

16 4. "Taxpayer" means a person, firm, a partner in a firm,  
17 corporation, or a shareholder in an S corporation doing business in  
18 the state and subject to the tax imposed by Section 2355 of Title 68  
19 of the Oklahoma Statutes or an insurance company subject to the tax  
20 imposed by Section 624 or 628 of Title 36 of the Oklahoma Statutes  
21 or other financial institution subject to the tax imposed by Section  
22 2370 of Title 68 of the Oklahoma Statutes.

23 B. For taxable years beginning after December 31, 2023, and  
24 beginning not later than January 1, 2029, there shall be allowed a

1 credit against the tax imposed pursuant to Section 2355 of Title 68  
2 of the Oklahoma Statutes in the amount of seventy percent (70%) of  
3 the amount a taxpayer contributed to a pregnancy resource center.

4 C. A taxpayer shall not be allowed to claim a tax credit in  
5 excess of Fifty Thousand Dollars (\$50,000.00) per taxable year.  
6 However, any tax credit that cannot be claimed in the taxable year  
7 the contribution was made may be claimed in the next succeeding  
8 taxable year.

9 D. The credit authorized pursuant to the provisions of this  
10 section may not be used to reduce the tax liability of the taxpayer  
11 to less than zero (0). The credit authorized pursuant to the  
12 provisions of this section may not be assigned, transferred, or  
13 sold.

14 E. Except for any excess credit which is carried over pursuant  
15 to subsection C of this section, a taxpayer shall not be allowed to  
16 claim a tax credit unless the total amount of such taxpayer's  
17 contribution or contributions to a pregnancy resource center or  
18 centers in a taxable year has a value of at least One Hundred  
19 Dollars (\$100.00).

20 F. The Director shall determine, at least annually, which  
21 facilities in this state may be classified as pregnancy resource  
22 centers. The Director may require of a facility seeking to be  
23 classified as a pregnancy resource center whatever information which  
24 is reasonably necessary to make such a determination. The Director

1 shall classify a facility as a pregnancy resource center if such  
2 facility meets the definition set forth in subsection A of this  
3 section. The Director shall establish a procedure by which a  
4 taxpayer can determine if a facility has been classified as a  
5 pregnancy resource center.

6 G. Pregnancy resource centers shall be permitted to decline a  
7 contribution from a taxpayer.

8 H. Each pregnancy resource center shall provide information to  
9 the Director concerning the identity of each taxpayer making a  
10 contribution to the pregnancy resource center who is claiming a tax  
11 credit pursuant to this section and the amount of the contribution.  
12 The Director shall provide the information to the Oklahoma Tax  
13 Commission. The Director shall be subject to the confidentiality  
14 and penalty provisions of Section 205 of Title 68 of the Oklahoma  
15 Statutes relating to the disclosure of tax information.

16 I. For the tax year beginning January 1, 2024, and each tax  
17 year thereafter, the total amount of credits authorized by this  
18 section used to offset tax shall be adjusted annually to limit the  
19 annual amount of credits to Five Million Dollars (\$5,000,000.00).  
20 The Tax Commission shall annually calculate and publish by the first  
21 day of the affected year a percentage by which the credits  
22 authorized by this section shall be reduced so the total amount of  
23 credits used to offset tax does not exceed Five Million Dollars  
24 (\$5,000,000.00) per year. The formula to be used for the percentage

1 adjustment shall be Five Million Dollars (\$5,000,000.00) divided by  
2 the credits claimed in the second preceding year.

3 J. In the event the total tax credits authorized by this  
4 section exceed Five Million Dollars (\$5,000,000.00) in any calendar  
5 year, the Tax Commission shall permit any excess over Five Million  
6 Dollars (\$5,000,000.00) but shall factor such excess into the  
7 percentage adjustment formula for subsequent years.

8 SECTION 2. This act shall become effective January 1, 2024.

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