

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

SENATE BILL 1071

By: Montgomery

AS INTRODUCED

An Act relating to income tax; providing exemption for certain hydrogen manufacturing facilities; providing period for eligibility; stating qualifications; requiring the Oklahoma Tax Commission to determine eligibility on an annual basis; requiring the Commission to provide application; authorizing the Commission to require certain information; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.91 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For tax years 2024 through 2034, revenues generated from the operation of a newly constructed establishment in this state placed in service after the effective date of this act, primarily engaged in the manufacture of hydrogen classified in the NAICS Manual under U.S. Industry No. 325120, shall be exempt from the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes for the first five (5) years of operations.

1 B. To qualify for the exemption provided in subsection A of  
2 this section, an establishment shall meet the following  
3 requirements:

4 1. The natural gas used in the production of the hydrogen shall  
5 be produced in this state; and

6 2. Payment of wages or salaries at a wage that equals or  
7 exceeds the average wage requirements in the Oklahoma Quality Jobs  
8 Program Act, Section 3601 et seq. of Title 68 of the Oklahoma  
9 Statutes.

10 C. Eligibility for an establishment pursuant to this section  
11 for each tax year shall be determined by the Oklahoma Tax  
12 Commission, upon the annual filing of an application provided by the  
13 Commission stating that the establishment qualifies and containing  
14 information as may be required by Commission.

15 SECTION 2. This act shall become effective November 1, 2023.

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