

BILL SUMMARY
1st Session of the 60th Legislature

Bill No.:	HB2610
Version:	SubRec
Request Number:	12842
Author:	Rep. Harris
Date:	2/24/2025
Impact:	FY-27: -\$80,000.00

Research Analysis

The subcommittee recommendation for HB2610 modifies a tax credit for nonrecurring adoption expenses. The measure increases the maximum credit amount to 15 percent of qualified expenses, up to \$3000 for single filers and \$6000 for joint filers. The current limit is 10 percent of qualified expenses, limited to \$2000 for single filer and \$4000 for joint filers.

Prepared By: Quyen Do

Fiscal Analysis

ESTIMATED REVENUE IMPACT:

FY26: \$0

FY27: Estimated decrease in income tax collections of \$80,000.

ANALYSIS: The Proposed Policy Committee Substitute for House Bill 2610 (No. Req. 12489) amends 68 O.S. § 2357.601, increasing the tax credit for nonrecurring adoption expenses. The bill increases the credit percentage from 10% to 15% of eligible expenses, raises the maximum credit from \$2,000 to \$3,000 for single filers and \$4,000 to \$6,000 for joint filers, retains eligibility for both successful and unsuccessful adoptions and applies to taxable years beginning on or after January 1, 2026.

To estimate the impact of this proposal, preliminary tax year 2023 data for the adoption expense credit was analyzed. Increasing the percentage and maximum credit allowed will result in a reduction in personal income tax collections in tax year 2026. No changes in withholding or estimated tax payments are anticipated; therefore, an estimated revenue decrease of \$80,000 in income tax collections is expected in FY27 when the 2026 returns are filed.

Prepared By: Mariah Searock, House Fiscal Staff

Other Considerations

None.