



BILL/VERSION: SB 228 / INTRODUCED **ANALYST:** MK
AUTHORS: Sen. Deevers **DATE:** 2/18/2025
TAX(ES): Income Tax
SUBJECT(S): Individual Income Tax Credit - Covenant Marriage
EFFECTIVE DATE: July 1, 2025 **Emergency**

ESTIMATED REVENUE IMPACT:

FY26: Unknown decrease in individual income tax collections.

ANALYSIS: SB 228 proposes to enact the *Covenant Marriage Act of Oklahoma*. Sections 2 through 5 of this measure establishes requirements for covenant marriages and requires the State Commissioner of Health to promulgate rules for the administration of covenant marriage licenses and maintain records of covenant marriage declarations.

Section 6 of this measure allows a new nonrefundable¹ income tax credit for individual taxpayers in a marriage resulting from the issuance of a covenant marriage license under the *Covenant Marriage Act of Oklahoma* beginning with tax year 2025. The credit is \$2,500 for taxpayers filing as married filing jointly and \$1,250 for taxpayers filing as married filing separate. It is unknown how many potential covenant marriage licenses² could be issued; therefore, the potential revenue impact of this measure is unknown.

With the effective date of July 1, 2025, the first full fiscal year impact will be FY26.

¹ Any unused credits may be carried over for up to 5 years. Additionally, the language in this measure is unclear if the credit may be claimed every year by a married taxpayer.

² Oklahoma Tax Commission data for tax year 2022 indicates 621,478 full year resident returns filed as married filing jointly and 38,616 full year resident returns filed as married filing separately.

2/18/25
DATE

Huan Gong
DR. HUAN GONG, CHIEF TAX ECONOMIST

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DATE

Marie Schuble
MARIE SCHUBLE, DIVISION DIRECTOR

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Joseph P. Gappa
JOSEPH P. GAPPA, FOR THE COMMISSION

The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.