

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

SENATE BILL 627

By: Nice

AS INTRODUCED

An Act relating to storm shelters; authorizing establishment of certain standards; establishing certain tax credit; stating provisions for certain tax credit; prohibiting certain use; authorizing promulgation of rules; 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 1000.31 of Title 59, unless there is created a duplication in numbering, reads as follows:

The Oklahoma Uniform Building Code Commission is authorized to establish standards for multiunit housing development building codes. Such standards shall include the installation of storm shelters designed for protection and safety from tornadoes or tornadic winds in such multiunit housing developments, built on or after the effective date of this act, that meet recommendations set by the Federal Emergency Management Agency. Such shelters shall include, but not be limited to, a safe room built as part of and

1 within real property, an in-ground shelter, or a prefabricated
2 shelter that is installed.

3 SECTION 2. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 2357.417 of Title 68, unless
5 there is created a duplication in numbering, reads as follows:

6 A. For tax year 2026 and subsequent tax years, there shall be
7 allowed a credit against the tax imposed pursuant to Section 2355 of
8 Title 68 of the Oklahoma Statutes, for expenditures to purchase,
9 construct, and install a storm shelter designed for protection and
10 safety from tornadoes or tornadic winds including, but not limited
11 to, a safe room built as part of and within an improvement to real
12 property, an in-ground shelter, and a prefabricated shelter that is
13 installed.

14 B. The credit authorized pursuant to subsection A of this
15 section shall be in the following amount:

16 1. For expenditures to construct or install a storm shelter in
17 or at a single-family residence, twenty-five percent (25%) of
18 expenditures;

19 2. For expenditures to construct or install a storm shelter in
20 or at multi-family housing units that have already been constructed
21 and placed into service, twenty-five percent (25%) of expenditures;
22 and
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1 3. For expenditures to construct or install a storm shelter in
2 or at multi-family housing units during the construction of the
3 units, twenty percent (20%) of expenditures.

4 C. For any taxpayer that is a business entity formed under the
5 laws of any state, including limited and general partnerships,
6 corporations, and limited liability companies, the credit claimed
7 pursuant to the provisions of this section shall not exceed Five
8 Hundred Thousand Dollars (\$500,000.00) in any tax year.

9 D. For any taxpayer that is a business entity formed under the
10 laws of any state, including limited and general partnerships,
11 corporations, and limited liability companies, the credit authorized
12 pursuant to the provisions of this section shall not be used to
13 reduce the income tax liability of the taxpayer to less than zero
14 (0). For individual taxpayers, if the credit allowed pursuant to
15 this section exceeds the tax imposed by Section 2355 of Title 68 of
16 the Oklahoma Statutes, the excess amount shall be refunded to the
17 taxpayer.

18 E. For any taxpayer that is a business entity formed under the
19 laws of any state, including limited and general partnerships,
20 corporations, and limited liability companies, if the amount of the
21 credit allowed pursuant to the provisions of this section exceeds
22 the income tax liability, the amount of credit not used in any tax
23 year may be carried forward, in order, to each of the five (5)
24 subsequent tax years.

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F. The credit authorized pursuant to this section shall be made on a form prescribed by the Oklahoma Tax Commission. The Commission may promulgate rules to prescribe procedures for documenting expenditures that qualify for the credit pursuant to the provisions of this section.

SECTION 3. This act shall become effective November 1, 2025.

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