

**BILL SUMMARY**  
1<sup>st</sup> Session of the 60<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB301</b>
<b>Version:</b>	<b>ENGR</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. Kane</b>
<b>Date:</b>	<b>4/4/2025</b>
<b>Impact:</b>	<b>Unknown decrease in revenue</b>

**Research Analysis**

Engrossed SB301 changes the annual cap for the biomedical research institute donation tax credit from \$1 million to \$1.5 million and the cap for the cancer research institute donation tax credit from \$1 million to \$500,000 beginning tax year 2026.

For the biomedical research institute tax credit, the maximum credit will be \$1000 for single filers, \$2000 for joint filers and \$25,000 for corporate filers. For the cancer research institute tax credit, the maximum credit is \$1000 for single filers and \$2000 for joint filers.

To be an eligible biomedical research institute that is receiving donations through the tax credit, the organization must have at least \$20 million in funding from the National Institutes of Health each year.

Prepared By: Quyen Do

**Fiscal Analysis**

The Oklahoma Tax Commission has provided the following analysis:

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**ESTIMATED REVENUE IMPACT:**

**FY26: Unknown decrease in income tax collections.<sup>2</sup>**

**FY27: Unknown decrease in income tax collections.**

**ANALYSIS:** SB 301 proposes to amend 68 O.S. § 2357.45, relating to the annual overall credit cap and taxpayer credit limits for donations to independent biomedical research institutes and cancer research institutes, effective for tax year 2026 and subsequent tax years.

Under the proposal, for independent biomedical research institutes, total credits are capped at \$1.5 million annually (changed from \$1 million cap) and for cancer research institutes, total credits are capped at \$500,000 annually (changed from \$1 million cap). Oklahoma Tax Commission records indicate the total credit amount claimed for donations to cancer research institutes and for donations to independent biomedical research institutes for tax year 2022 totaled approximately \$93,000 and \$758,000, respectively. It is expected the amount of credits claimed will increase as a result of the proposal, beginning in FY26; however, information is not available to reasonably estimate the related decrease in income tax revenue. If the amount of tax credits claimed in 2024 do not exceed the proposed caps, 100% of the credits claimed in 2026 will be allowed and the OTC will factor such excess into the percentage adjustment formula for 2027.

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<sup>1</sup> Engrossed SB 301 is identical to Introduced SB 301

<sup>2</sup> A decrease in estimated tax payments may be expected, beginning for FY26.

The credit percentage for donations to independent biomedical research institutes is adjusted annually so that the total estimate of credits does not exceed \$1.5 million, and the credit percentage for donations to cancer research institutes is adjusted annually so that the total estimate of credits does not exceed \$500,000. This measure uses the second preceding tax year (rather than preceding year) for calculating adjustments. If total annual credits exceed the caps, the OTC will permit any excess but will factor such excess into the percentage adjustment formula for subsequent years.

Also, independent biomedical research institutes must now receive at least \$20 million in National Institutes of Health funding annually (increased from \$15 million).

In addition, this measure amends Individual credit limits starting in tax year 2026:

<b>Filing Status:</b>	<b>Single</b>	<b>Married Filing Jointly</b>	<b>Head of Household</b>	<b>Qualifying Widow</b>	<b>Business Entity</b>
<b>Current Law:</b>	\$1,000	\$2,000	\$1,000	\$1,000	\$1,000
<b>Proposed Law for Biomedical Credit</b>	\$1,000	\$2,000	\$2,000	\$2,000	\$25,000
<b>Proposed Law for Cancer Credit</b>	\$1,000	\$2,000	\$2,000	\$2,000	\$2,000

Prepared By: Zach Penrod, House Fiscal Staff

**Other Considerations**

None.