

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 HOUSE BILL 2366

By: Hill

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5  
6 AS INTRODUCED

7 An Act relating to revenue and taxation; creating  
8 income tax credit for certain persons engaged in  
9 biomanufacturing sector; defining terms; providing  
10 credit to be claimed in nonconsecutive tax years;  
11 prohibiting credit to reduce liability to less than  
12 zero; providing carryover; providing for  
13 codification; and providing an effective date.

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

15 SECTION 1. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 2357.305 of Title 68, unless  
17 there is created a duplication in numbering, reads as follows:

18 A. As used in this act:

19 1. "Biomanufacturing sector" means a private or public  
20 organization located in this state and engaged in the manufacture of  
21 biopharmaceuticals, medical devices, diagnostics, industrial  
22 biotechnology, tissue engineering, synthetic biology, supply of  
23 parts to the biomanufacturing industry, provision of services and  
24 support relating to the biomanufacturing industry, research and

1 development of biomanufacturing technology and systems and the  
2 education and training of biomanufacturing personnel;

3 2. "Compensation" means payments in the form of contract labor  
4 for which the payor is required to provide a Form 1099 to the person  
5 paid, wages subject to withholding tax paid to a part-time employee  
6 or full-time employee or salary or other remuneration. Compensation  
7 shall not include employer-provided retirement, medical or health  
8 care benefits, reimbursement for travel, meals, lodging or any other  
9 expense;

10 3. "Institution" means an institution within The Oklahoma State  
11 System of Higher Education or any other public or private college or  
12 university that is accredited by a national accrediting body;

13 4. "Qualified employee" means any person, regardless of the  
14 date of hire, employed in this state by or contracting in this state  
15 with a qualified employer on or after January 1, 2026, who was not  
16 employed in the biomanufacturing sector in this state immediately  
17 preceding employment or contracting with a qualified employer, and  
18 who has been either:

- 19 a. awarded an undergraduate or graduate degree from a  
20 qualified program by an institution, or  
21 b. licensed as a Professional Engineer by the State Board  
22 of Licensure for Professional Engineers and Land  
23 Surveyors pursuant to Section 475.15 of Title 59 of  
24 the Oklahoma Statutes.

1        Provided, the definition shall not be interpreted to exclude any  
2 person who was employed in the biomanufacturing sector, but not as a  
3 full-time engineer, prior to being awarded an undergraduate or  
4 graduate degree from a qualified program by an institution or any  
5 person who has been awarded an undergraduate or graduate degree from  
6 a qualified program by an institution and is employed by a  
7 professional staffing company and assigned to work in the  
8 biomanufacturing sector in this state.

9        Beginning on or after January 1, 2026, the definition shall also  
10 not be interpreted to exclude any person (1) who previously  
11 qualified and established the credit against the tax imposed  
12 pursuant to Section 2355 of Title 68 of the Oklahoma Statutes and  
13 becomes employed by a different qualified employer, or (2) who  
14 establishes the credit against the tax imposed pursuant to Section  
15 2355 of Title 68 of the Oklahoma Statutes for the first time and  
16 becomes employed by a different qualified employer in subsequent  
17 years, provided a person in either case has not claimed the credit  
18 for the lifetime maximum of five (5) years;

19        5. "Qualified employer" means a sole proprietor, general  
20 partnership, limited partnership, limited liability company,  
21 corporation, other legally recognized business entity or public  
22 entity whose principal business activity involves the  
23 biomanufacturing sector; and  
24

1       6. "Qualified program" means a program at an institution that  
2 includes a graduate or undergraduate program that has been  
3 accredited by the Engineering Accreditation Commission of the  
4 Accreditation Board for Engineering and Technology (ABET) and that  
5 awards an undergraduate or graduate degree. Both the undergraduate  
6 and graduate programs of the same discipline of engineering at an  
7 institution shall be part of the qualified program if either program  
8 is ABET accredited.

9       B. 1. Except as provided in subsection D of this section, for  
10 taxable years beginning after December 31, 2025, a qualified  
11 employee shall be allowed a credit against the tax imposed pursuant  
12 to Section 2355 of Title 68 of the Oklahoma Statutes of up to Five  
13 Thousand Dollars (\$5,000.00) per tax year for a period of time not  
14 to exceed five (5) years during the lifetime of the qualified  
15 employee. This credit may be claimed in nonconsecutive tax years.

16       2. The credit authorized by this section shall not be used to  
17 reduce the tax liability of the taxpayer to less than zero (0).

18       3. Any credit claimed, but not used, may be carried over, in  
19 order, to each of the five (5) subsequent taxable years.

20       SECTION 2. This act shall become effective November 1, 2025.

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22       60-1-11473       AO       01/07/25

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