

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 2019

By: Pae

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6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68  
8 O.S. 2021, Section 2357.302, which relates to  
9 aerospace industry tax credit for employee tuition  
10 reimbursement; amending 68 O.S. 2021, Section  
11 2357.303, which relates to aerospace industry tax  
12 credit for compensation paid to employees; amending  
68 O.S. 2021, Section 2357.304, as amended by Section  
2, Chapter 313, O.S.L. 2024 (68 O.S. Supp. 2024,  
Section 2357.304), which relates to aerospace  
industry credit for employees; modifying dates to  
extend credits; and providing an effective date.

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

16 SECTION 1. AMENDATORY 68 O.S. 2021, Section 2357.302, is  
17 amended to read as follows:

18 Section 2357.302. A. Except as provided in subsection F of  
19 this section, for taxable years beginning after December 31, 2008,  
20 and ending before January 1, ~~2026~~ 2032, a qualified employer shall  
21 be allowed a credit against the tax imposed pursuant to Section 2355  
22 of this title for tuition reimbursed to a qualified employee.

1       B. The credit authorized by subsection A of this section may be  
2 claimed only if the qualified employee has been awarded an  
3 undergraduate or graduate degree within one (1) year of commencing  
4 employment with the qualified employer.

5       C. The credit authorized by subsection A of this section shall  
6 be in the amount of fifty percent (50%) of the tuition reimbursed to  
7 a qualified employee for the first through fourth years of  
8 employment. In no event shall this credit exceed fifty percent  
9 (50%) of the average annual amount paid by a qualified employee for  
10 enrollment and instruction in a qualified program at a public  
11 institution in Oklahoma.

12      D. The credit authorized by subsection A of this section shall  
13 not be used to reduce the tax liability of the qualified employer to  
14 less than zero (0).

15      E. No credit authorized by this section shall be claimed after  
16 the fourth year of employment.

17      F. No credit otherwise authorized by the provisions of this  
18 section may be claimed for any event, transaction, investment,  
19 expenditure or other act occurring on or after July 1, 2010, for  
20 which the credit would otherwise be allowable. The provisions of  
21 this subsection shall cease to be operative on July 1, 2011.  
22 Beginning July 1, 2011, the credit authorized by this section may be  
23 claimed for any event, transaction, investment, expenditure or other

1 act occurring on or after July 1, 2011, according to the provisions  
2 of this section.

3 SECTION 2. AMENDATORY 68 O.S. 2021, Section 2357.303, is  
4 amended to read as follows:

5 Section 2357.303. A. Except as provided in subsection F of  
6 this section, for taxable years beginning after December 31, 2008,  
7 and ending before January 1, 2026 2032, a qualified employer shall  
8 be allowed a credit against the tax imposed pursuant to Section 2355  
9 of this title for compensation paid to a qualified employee.

10 B. The credit authorized by subsection A of this section shall  
11 be in the amount of:

12 1. Ten percent (10%) of the compensation paid for the first  
13 through fifth years of employment in the aerospace sector if the  
14 qualified employee graduated from an institution located in this  
15 state; or

16 2. Five percent (5%) of the compensation paid for the first  
17 through fifth years of employment in the aerospace sector if the  
18 qualified employee graduated from an institution located outside  
19 this state.

20 C. The credit authorized by this section shall not exceed  
21 Twelve Thousand Five Hundred Dollars (\$12,500.00) for each qualified  
22 employee annually.

1       D. The credit authorized by this section shall not be used to  
2 reduce the tax liability of the qualified employer to less than zero  
3 (0).

4       E. No credit authorized pursuant to this section shall be  
5 claimed after the fifth year of employment.

6       F. No credit otherwise authorized by the provisions of this  
7 section may be claimed for any event, transaction, investment,  
8 expenditure or other act occurring on or after July 1, 2010, for  
9 which the credit would otherwise be allowable. The provisions of  
10 this subsection shall cease to be operative on July 1, 2011.

11 Beginning July 1, 2011, the credit authorized by this section may be  
12 claimed for any event, transaction, investment, expenditure or other  
13 act occurring on or after July 1, 2011, according to the provisions  
14 of this section.

15       SECTION 3.       AMENDATORY       68 O.S. 2021, Section 2357.304, as  
16 amended by Section 2, Chapter 313, O.S.L. 2024 (68 O.S. Supp. 2024,  
17 Section 2357.304), is amended to read as follows:

18       Section 2357.304. A. Except as provided in subsection D of  
19 this section, for taxable years beginning after December 31, 2008,  
20 and ending before January 1, 2026 2032, a qualified employee shall  
21 be allowed a credit against the tax imposed pursuant to Section 2355  
22 of this title of up to Five Thousand Dollars (\$5,000.00) per tax  
23 year for a period of time not to exceed five (5) years during the  
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1 lifetime of the qualified employee. This credit may be claimed in  
2 nonconsecutive tax years.

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

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

7       D. No credit otherwise authorized by the provisions of this  
8 section may be claimed for any event, transaction, investment,  
9 expenditure or other act occurring on or after July 1, 2010, for  
10 which the credit would otherwise be allowable. The provisions of  
11 this subsection shall cease to be operative on July 1, 2011.

12 Beginning July 1, 2011, the credit authorized by this section may be  
13 claimed for any event, transaction, investment, expenditure or other  
14 act occurring on or after July 1, 2011, according to the provisions  
15 of this section.

16       SECTION 4. This act shall become effective November 1, 2025.

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18       60-1-11685           AO           12/13/24