

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                   STATE OF OKLAHOMA

3                   1st Session of the 60th Legislature (2025)

4                   ENGROSSED SENATE  
5                   BILL NO. 301

6                   By: Hall of the Senate

7                   and

8                   Kane of the House

9                   An Act relating to income tax; amending 68 O.S. 2021,  
10                  Section 2357.45, which relates to credit for  
11                  donations to certain research institutes; modifying  
12                  credit limit for certain institute in certain tax  
13                  years; modifying credit limit for taxpayer in certain  
14                  tax years; modifying definition; updating statutory  
15                  references; updating statutory language; and  
16                  providing an effective date.

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

18                  SECTION 1.       AMENDATORY       68 O.S. 2021, Section 2357.45, is

19                  amended to read as follows:

20                  Section 2357.45. A. 1. For tax years beginning after December  
21                  31, 2004, there shall be allowed against the tax imposed by Section  
22                  2355 of this title, a credit for any taxpayer who makes a donation  
23                  to an independent biomedical research institute and for tax years  
24                  beginning after December 31, 2010, a credit for any taxpayer who  
                        makes a donation to a cancer research institute.

1           2. The credit authorized by paragraph 1 of this subsection  
2 shall be limited as follows:

3           a. for ~~calendar year 2007 and all subsequent years tax~~  
4           ~~years 2007 through 2025~~, the credit percentage, not to  
5 exceed fifty percent (50%), shall be adjusted annually  
6 so that the total estimate of the credits does not  
7 exceed Two Million Dollars (\$2,000,000.00) annually.

8           The formula to be used for the percentage adjusted  
9 shall be fifty percent (50%) times One Million Dollars  
10 (\$1,000,000.00) divided by the credits claimed in the  
11 preceding year for each donation to an independent  
12 biomedical research institute and fifty percent (50%)  
13 times One Million Dollars (\$1,000,000.00) divided by  
14 the credits claimed in the preceding year for each  
15 donation to a cancer research institute,

16           b. for tax year 2026 and subsequent tax years, the credit  
17           percentage, not to exceed fifty percent (50%), shall  
18           be adjusted annually so that the total estimate of the  
19           credits does not exceed One Million Five Hundred  
20           Thousand Dollars (\$1,500,000.00) annually for  
21           donations to independent biomedical research  
22           institutes. The formula to be used for the percentage  
23           adjustment shall be fifty percent (50%) times One  
24           Million Five Hundred Thousand Dollars (\$1,500,000.00)

1                         

divided by the credits claimed in the second preceding  
2                         tax year for each donation to an independent  
3                         biomedical research institute,

4                         c. for tax year 2026 and subsequent tax years, the credit  
5                         percentage, not to exceed fifty percent (50%), shall  
6                         be adjusted annually so that the total estimate of the  
7                         credits does not exceed Five Hundred Thousand Dollars  
8                         (\$500,000.00) annually for donations to cancer  
9                         research institutes. The formula to be used for the  
10                         percentage adjusted shall be fifty percent (50%) times  
11                         Five Hundred Thousand Dollars (\$500,000.00) divided by  
12                         the credits claimed in the second preceding year for  
13                         each donation to a cancer research institute,

14                         d. (1) in no event shall a taxpayer claim more than one  
15                         credit for a donation to any independent  
16                         biomedical research institute and one credit for  
17                         a donation to a cancer research institute in each  
18                         taxable year nor for tax years 2005 through 2025  
19                         shall the credit exceed One Thousand Dollars  
20                         (\$1,000.00) for each taxpayer for each type of  
21                         donation, and for tax year 2026 and subsequent  
22                         tax years, the credit for donating to a cancer  
23                         research institute shall not exceed One Thousand  
24                         Dollars (\$1,000.00) for single filers and married

filing separate, or Two Thousand Dollars  
(\$2,000.00) for married filing joint, head of  
household, or qualifying widow, or  
for tax year 2026 and subsequent tax years, the  
credit for donations to any independent  
biomedical research institute shall not exceed  
One Thousand Dollars (\$1,000.00) for single  
filers and married filing separate; Two Thousand  
Dollars (\$2,000.00) for married filing joint,  
head of household, and qualifying widow; and  
Twenty-five Thousand Dollars (\$25,000.00) for any  
taxpayer that is a business entity formed under  
the laws of any state, including limited and  
general partnerships, corporations, and limited  
liability companies,

- e. ~~for tax year 2011, no more than Fifty Thousand Dollars (\$50,000.00) in total tax credits for donations to a cancer research institute shall be allowed,~~
- d. ~~in no event shall more than fifty percent (50%) of the Two Million Dollars (\$2,000,000.00) in total tax credits authorized by this section, for any calendar year after the effective date of this act, be allocated for credits for donations to a cancer research institute, and~~

1                   e. for tax year 2026 and subsequent tax years, in the  
2                   event the total tax credits authorized by this section  
3                   exceed ~~One Million Dollars (\$1,000,000.00)~~ in any  
4                   calendar year Five Hundred Thousand Dollars  
5                   (\$500,000.00) for either a cancer research institute  
6                   or One Million Five Hundred Thousand Dollars  
7                   (\$1,500,000.00) for an independent biomedical research  
8                   institute, the Oklahoma Tax Commission shall permit  
9                   any excess over ~~One Million Dollars (\$1,000,000.00)~~  
10                  the applicable limitation amount but shall factor such  
11                  excess into the percentage adjustment formula for  
12                  subsequent years for that the applicable type of  
13                  donation. However, any such adjustment to the formula  
14                  for donations to an independent biomedical research  
15                  institute shall not affect the formula for donations  
16                  to a cancer research institute, and any such  
17                  adjustment to the formula for donations to a cancer  
18                  research institute shall not affect the formula for  
19                  donations to an independent biomedical research  
20                  institute.

21                 3. For purposes of this section, "independent biomedical  
22                 research institute" means an organization in this state which is  
23                 exempt from taxation pursuant to the provisions of Section 501(c) (3)  
24                 of the Internal Revenue Code of 1986, as amended, 26 U.S.C., Section

1    501(c) (3), whose primary focus is conducting peer-reviewed basic  
2 biomedical research. The organization shall:

- 3        a. have a board of directors,
- 4        b. be able to accept grants in its own name,
- 5        c. be an identifiable institute that has its own  
6              employees and administrative staff, and
- 7        d. receive at least ~~Fifteen Million Dollars~~  
8              ~~(\$15,000,000.00)~~ Twenty Million Dollars  
9              (\$20,000,000.00) in National ~~Institute~~ Institutes of  
10             Health funding each year.

11          4. For purposes of this section, "cancer research institute"  
12 means an organization which is exempt from taxation pursuant to the  
13 Internal Revenue Code of 1986, as amended, and whose primary focus  
14 is raising the standard of cancer clinical care in Oklahoma through  
15 peer-reviewed cancer research and education or a not-for-profit  
16 supporting organization, as that term is defined by the Internal  
17 Revenue Code of 1986, as amended, affiliated with a tax-exempt  
18 organization whose primary focus is raising the standard of cancer  
19 clinical care in Oklahoma through peer-reviewed cancer research and  
20 education. The tax-exempt organization whose primary focus is  
21 raising the standard of cancer clinical care in Oklahoma through  
22 peer-reviewed cancer research and education shall:

- 23        a. either be an independent research institute or a  
24              program that is part of a state university which is a

1                   member of The Oklahoma State System of Higher  
2                   Education, and

3                 b. receive at least Four Million Dollars (\$4,000,000.00)  
4                   in National Cancer Institute funding each year.

5                 B. In no event shall the amount of the credit exceed the amount  
6 of any tax liability of the taxpayer.

7                 C. Any credits allowed but not used in any tax year may be  
8 carried over, in order, to each of the four (4) years following the  
9 year of qualification.

10               D. The Oklahoma Tax Commission shall have the authority to  
11 prescribe forms for purposes of claiming the credit authorized by  
12 this section.

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

14  
15 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
16 04/16/2025 - DO PASS.  
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