

1 ENGROSSED SENATE
2 BILL NO. 301

3 By: Hall of the Senate

4 and

5 Kane of the House

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

10
11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12 SECTION 1. AMENDATORY 68 O.S. 2021, Section 2357.45, is
13 amended to read as follows:

14 Section 2357.45. A. 1. For tax years beginning after December
15 31, 2004, there shall be allowed against the tax imposed by Section
16 2355 of this title, a credit for any taxpayer who makes a donation
17 to an independent biomedical research institute and for tax years
18 beginning after December 31, 2010, a credit for any taxpayer who
19 makes a donation to a cancer research institute.

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

22 a. for ~~calendar year 2007 and all subsequent years tax~~
23 ~~years 2007 through 2025~~, the credit percentage, not to

1 exceed fifty percent (50%), shall be adjusted annually
2 so that the total estimate of the credits does not
3 exceed Two Million Dollars (\$2,000,000.00) annually.

4 The formula to be used for the percentage adjusted
5 shall be fifty percent (50%) times One Million Dollars
6 (\$1,000,000.00) divided by the credits claimed in the
7 preceding year for each donation to an independent
8 biomedical research institute and fifty percent (50%)
9 times One Million Dollars (\$1,000,000.00) divided by
10 the credits claimed in the preceding year for each
11 donation to a cancer research institute,

- 12 b. for tax year 2026 and subsequent tax years, the credit
13 percentage, not to exceed fifty percent (50%), shall
14 be adjusted annually so that the total estimate of the
15 credits does not exceed One Million Five Hundred
16 Thousand Dollars (\$1,500,000.00) annually for
17 donations to independent biomedical research
18 institutes. The formula to be used for the percentage
19 adjustment shall be fifty percent (50%) times One
20 Million Five Hundred Thousand Dollars (\$1,500,000.00)
21 divided by the credits claimed in the second preceding
22 tax year for each donation to an independent
23 biomedical research institute,

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

11 d. (1) in no event shall a taxpayer claim more than one
12 credit for a donation to any independent
13 biomedical research institute and one credit for
14 a donation to a cancer research institute in each
15 taxable year nor for tax years 2005 through 2025
16 shall the credit exceed One Thousand Dollars
17 (\$1,000.00) for each taxpayer ~~for each type of~~
18 ~~donation, and for tax year 2026 and subsequent~~
19 tax years, the credit for donating to a cancer
20 research institute shall not exceed One Thousand
21 Dollars (\$1,000.00) for single filers and married
22 filing separate, or Two Thousand Dollars
23 (\$2,000.00) for married filing joint, head of
24 household, or qualifying widow, or

(2) 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
- e. for tax year 2026 and subsequent tax years, in the event the total tax credits authorized by this section exceed One Million Dollars (\$1,000,000.00) in any

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

18 3. For purposes of this section, "independent biomedical
19 research institute" means an organization in this state which is
20 exempt from taxation pursuant to the provisions of Section 501(c) (3)
21 of the Internal Revenue Code of 1986, as amended, 26 U.S.C., Section
22 501(c) (3)_ whose primary focus is conducting peer-reviewed basic
23 biomedical research. The organization shall:

24 a. have a board of directors,

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

8 4. For purposes of this section, "cancer research institute"

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

- 20 a. either be an independent research institute or a
- 21 program that is part of a state university which is a
- 22 member of The Oklahoma State System of Higher
- 23 Education, and

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

3 B. In no event shall the amount of the credit exceed the amount
4 of any tax liability of the taxpayer.

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

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

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

12 | Passed the Senate the 11th day of March, 2025.

Presiding Officer of the Senate

16 Passed the House of Representatives the _____ day of _____,
17 2025.

Presiding Officer of the House
of Representatives