

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	HB1964
Version:	SUBREC
Request Number:	7572
Author:	Newton
Date:	3/1/2023
Impact:	OTC Analysis:
	FY24: No Impact
	FY25: Unknown revenue decrease

Research Analysis

The subcommittee recommendation for HB1964 establishes a tax credit for taxpayers that donate to a vision research institute beginning tax year 2024. The measure also increase the annual cap for tax credits awarded for donations to a vision, cancer or biomedical research institute from \$2 million to \$6 million and caps the credit amount at \$1000 for a single filer, \$2000 for joint filers and \$50,000 for corporations.

Prepared By: Quyen Do

Fiscal Analysis

In its current form, HB1964 creates a tax credit for donations to a vision research institute. The measure also increases the annual cap for tax credits awarded for certain donations from \$2 million to \$6 million, and provides for caps on the credit amount for single filers, joint filers, and corporations. As the expected amount of eligible donations is unknown, the expected revenue impact of this measure is unknown.

Provided by the Oklahoma Tax Commission:

Although the credit is subject to an annual cap of \$2 million, the calculation requires a two year look back. This effectively renders the cap ineffective for the first two tax years (2024 and 2025). The expected revenue impact of this proposal is an unknown decrease in income tax collections for tax year 2024. No changes in withholding or estimated tax payments are anticipated; the full impact of this proposal would occur in FY 25 when the 2024 returns are filed.

Prepared By: Zachary Penrod, House Fiscal Staff

Other Considerations

None.