

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

SENATE BILL 293

By: Burns

AS INTRODUCED

An Act relating to tax; amending 68 O.S. 2021, Section 2355, as last amended by Section 1, Chapter 27, 1st Extraordinary Session, O.S.L. 2023 (68 O.S. Supp. 2024, Section 2355), which relates to income tax; modifying certain income tax rate for certain tax years; updating statutory language; updating statutory references; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 2021, Section 2355, as last amended by Section 1, Chapter 27, 1st Extraordinary Session, O.S.L. 2023 (68 O.S. Supp. 2024, Section 2355), is amended to read as follows:

Section 2355. A. Individuals. For all taxable years beginning after December 31, 1998, and before January 1, 2006, a tax is hereby imposed upon the Oklahoma taxable income of every resident or nonresident individual, which tax shall be computed at the option of the taxpayer under one of the two following methods:

1. METHOD 1.

- 1 a. Single individuals and married individuals filing  
2 separately not deducting federal income tax:
- 3 (1) 1/2% tax on first \$1,000.00 or part thereof,  
4 (2) 1% tax on next \$1,500.00 or part thereof,  
5 (3) 2% tax on next \$1,250.00 or part thereof,  
6 (4) 3% tax on next \$1,150.00 or part thereof,  
7 (5) 4% tax on next \$1,300.00 or part thereof,  
8 (6) 5% tax on next \$1,500.00 or part thereof,  
9 (7) 6% tax on next \$2,300.00 or part thereof, and  
10 (8) (a) for taxable years beginning after December  
11 31, 1998, and before January 1, 2002, 6.75%  
12 tax on the remainder,  
13 (b) for taxable years beginning on or after  
14 January 1, 2002, and before January 1, 2004,  
15 7% tax on the remainder, and  
16 (c) for taxable years beginning on or after  
17 January 1, 2004, 6.65% tax on the remainder.
- 18 b. Married individuals filing jointly and surviving  
19 spouse to the extent and in the manner that a  
20 surviving spouse is permitted to file a joint return  
21 under the provisions of the Internal Revenue Code of  
22 1986, as amended, and heads of households as defined  
23 in the Internal Revenue Code of 1986, as amended, not  
24 deducting federal income tax:

- 1 (1) 1/2% tax on first \$2,000.00 or part thereof,
- 2 (2) 1% tax on next \$3,000.00 or part thereof,
- 3 (3) 2% tax on next \$2,500.00 or part thereof,
- 4 (4) 3% tax on next \$2,300.00 or part thereof,
- 5 (5) 4% tax on next \$2,400.00 or part thereof,
- 6 (6) 5% tax on next \$2,800.00 or part thereof,
- 7 (7) 6% tax on next \$6,000.00 or part thereof, and
- 8 (8) (a) for taxable years beginning after December  
9 31, 1998, and before January 1, 2002, 6.75%  
10 tax on the remainder,
- 11 (b) for taxable years beginning on or after  
12 January 1, 2002, and before January 1, 2004,  
13 7% tax on the remainder, and
- 14 (c) for taxable years beginning on or after  
15 January 1, 2004, 6.65% tax on the remainder.

16 2. METHOD 2.

17 a. Single individuals and married individuals filing  
18 separately deducting federal income tax:

- 19 (1) 1/2% tax on first \$1,000.00 or part thereof,
- 20 (2) 1% tax on next \$1,500.00 or part thereof,
- 21 (3) 2% tax on next \$1,250.00 or part thereof,
- 22 (4) 3% tax on next \$1,150.00 or part thereof,
- 23 (5) 4% tax on next \$1,200.00 or part thereof,
- 24 (6) 5% tax on next \$1,400.00 or part thereof,

- 1 (7) 6% tax on next \$1,500.00 or part thereof,
- 2 (8) 7% tax on next \$1,500.00 or part thereof,
- 3 (9) 8% tax on next \$2,000.00 or part thereof,
- 4 (10) 9% tax on next \$3,500.00 or part thereof, and
- 5 (11) 10% tax on the remainder.

6 b. Married individuals filing jointly and surviving  
7 spouse to the extent and in the manner that a  
8 surviving spouse is permitted to file a joint return  
9 under the provisions of the Internal Revenue Code of  
10 1986, as amended, and heads of households as defined  
11 in the Internal Revenue Code of 1986, as amended,  
12 deducting federal income tax:

- 13 (1) 1/2% tax on the first \$2,000.00 or part thereof,
- 14 (2) 1% tax on the next \$3,000.00 or part thereof,
- 15 (3) 2% tax on the next \$2,500.00 or part thereof,
- 16 (4) 3% tax on the next \$1,400.00 or part thereof,
- 17 (5) 4% tax on the next \$1,500.00 or part thereof,
- 18 (6) 5% tax on the next \$1,600.00 or part thereof,
- 19 (7) 6% tax on the next \$1,250.00 or part thereof,
- 20 (8) 7% tax on the next \$1,750.00 or part thereof,
- 21 (9) 8% tax on the next \$3,000.00 or part thereof,
- 22 (10) 9% tax on the next \$6,000.00 or part thereof, and
- 23 (11) 10% tax on the remainder.

1 B. Individuals. For all taxable years beginning on or after  
2 January 1, 2008, and ending any tax year which begins after December  
3 31, 2015, for which the determination required pursuant to Sections  
4 4 2355.1F and 5 2355.1G of this ~~act~~ title is made by the State Board  
5 of Equalization, a tax is hereby imposed upon the Oklahoma taxable  
6 income of every resident or nonresident individual, which tax shall  
7 be computed as follows:

8 1. Single individuals and married individuals filing  
9 separately:

- 10 (a) 1/2% tax on first \$1,000.00 or part thereof,  
11 (b) 1% tax on next \$1,500.00 or part thereof,  
12 (c) 2% tax on next \$1,250.00 or part thereof,  
13 (d) 3% tax on next \$1,150.00 or part thereof,  
14 (e) 4% tax on next \$2,300.00 or part thereof,  
15 (f) 5% tax on next \$1,500.00 or part thereof,  
16 (g) 5.50% tax on the remainder for the 2008 tax year and  
17 any subsequent tax year unless the rate prescribed by  
18 subparagraph (h) of this paragraph is in effect, and  
19 (h) 5.25% tax on the remainder for the 2009 and subsequent  
20 tax years. The decrease in the top marginal  
21 individual income tax rate otherwise authorized by  
22 this subparagraph shall be contingent upon the  
23 determination required to be made by the State Board  
24

1 of Equalization pursuant to Section 2355.1A of this  
2 title.

3 2. Married individuals filing jointly and surviving spouse to  
4 the extent and in the manner that a surviving spouse is permitted to  
5 file a joint return under the provisions of the Internal Revenue  
6 Code of 1986, as amended, and heads of households as defined in the  
7 Internal Revenue Code of 1986, as amended:

- 8 (a) 1/2% tax on first \$2,000.00 or part thereof,  
9 (b) 1% tax on next \$3,000.00 or part thereof,  
10 (c) 2% tax on next \$2,500.00 or part thereof,  
11 (d) 3% tax on next \$2,300.00 or part thereof,  
12 (e) 4% tax on next \$2,400.00 or part thereof,  
13 (f) 5% tax on next \$2,800.00 or part thereof,  
14 (g) 5.50% tax on the remainder for the 2008 tax year and  
15 any subsequent tax year unless the rate prescribed by  
16 subparagraph (h) of this paragraph is in effect, and  
17 (h) 5.25% tax on the remainder for the 2009 and subsequent  
18 tax years. The decrease in the top marginal  
19 individual income tax rate otherwise authorized by  
20 this subparagraph shall be contingent upon the  
21 determination required to be made by the State Board  
22 of Equalization pursuant to Section 2355.1A of this  
23 title.

1 C. Individuals. For ~~all taxable years beginning on or after~~  
2 ~~January 1, 2024~~ tax year 2024, a tax is hereby imposed upon the  
3 Oklahoma taxable income of every resident or nonresident individual,  
4 which tax shall be computed as follows:

5 1. Single individuals and married individuals filing  
6 separately:

- 7 (a) 0.25% tax on first \$1,000.00 or part thereof,
- 8 (b) 0.75% tax on next \$1,500.00 or part thereof,
- 9 (c) 1.75% tax on next \$1,250.00 or part thereof,
- 10 (d) 2.75% tax on next \$1,150.00 or part thereof,
- 11 (e) 3.75% tax on next \$2,300.00 or part thereof, and
- 12 (f) 4.75% tax on the remainder.

13 2. Married individuals filing jointly and surviving spouse to  
14 the extent and in the manner that a surviving spouse is permitted to  
15 file a joint return under the provisions of the Internal Revenue  
16 Code of 1986, as amended, and heads of households as defined in the  
17 Internal Revenue Code of 1986, as amended:

- 18 (a) 0.25% tax on first \$2,000.00 or part thereof,
- 19 (b) 0.75% tax on next \$3,000.00 or part thereof,
- 20 (c) 1.75% tax on next \$2,500.00 or part thereof,
- 21 (d) 2.75% tax on next \$2,300.00 or part thereof,
- 22 (e) 3.75% tax on next \$4,600.00 or part thereof, and
- 23 (f) 4.75% tax on the remainder.

1 No deduction for federal income taxes paid shall be allowed to  
2 any taxpayer to arrive at taxable income.

3 D. Individuals. For tax year 2025, a tax is hereby imposed  
4 upon the Oklahoma taxable income of every resident or nonresident  
5 individual, which tax shall be computed as follows:

6 1. Single individuals and married individuals filing  
7 separately:

8 (a) 0.00% tax on first \$1,000.00 or part thereof,

9 (b) 0.15% tax on next \$1,500.00 or part thereof,

10 (c) 1.15% tax on next \$1,250.00 or part thereof,

11 (d) 2.15% tax on next \$1,150.00 or part thereof,

12 (e) 3.15% tax on next \$2,300.00 or part thereof, and

13 (f) 4.15% tax on the remainder.

14 2. Married individuals filing jointly and surviving spouse to  
15 the extent and in the manner that a surviving spouse is permitted to  
16 file a joint return under the provisions of the Internal Revenue  
17 Code of 1986, as amended, and heads of households as defined in the  
18 Internal Revenue Code of 1986, as amended:

19 (a) 0.00% tax on first \$2,000.00 or part thereof,

20 (b) 0.15% tax on next \$3,000.00 or part thereof,

21 (c) 1.15% tax on next \$2,500.00 or part thereof,

22 (d) 2.15% tax on next \$2,300.00 or part thereof,

23 (e) 3.15% tax on next \$4,600.00 or part thereof, and

24 (f) 4.15% tax on the remainder.



1 No deduction for federal income taxes paid shall be allowed to  
2 any taxpayer to arrive at taxable income.

3 E. Individuals. For tax year 2026, a tax is hereby imposed  
4 upon the Oklahoma taxable income of every resident or nonresident  
5 individual, which tax shall be computed as follows:

6 1. Single individuals and married individuals filing  
7 separately:

8 (a) 0.00% tax on first \$2,500.00 or part thereof,

9 (b) 0.55% tax on next \$1,250.00 or part thereof,

10 (c) 1.55% tax on next \$1,150.00 or part thereof,

11 (d) 2.55% tax on next \$2,300.00 or part thereof, and

12 (e) 3.55% tax on the remainder.

13 2. Married individuals filing jointly and surviving spouse to  
14 the extent and in the manner that a surviving spouse is permitted to  
15 file a joint return under the provisions of the Internal Revenue  
16 Code of 1986, as amended, and heads of households as defined in the  
17 Internal Revenue Code of 1986, as amended:

18 (a) 0.00% tax on first \$5,000.00 or part thereof,

19 (b) 0.55% tax on next \$2,500.00 or part thereof,

20 (c) 1.55% tax on next \$2,300.00 or part thereof,

21 (d) 2.55% tax on next \$4,600.00 or part thereof, and

22 (e) 3.55% tax on the remainder.

23 No deduction for federal income taxes paid shall be allowed to  
24 any taxpayer to arrive at taxable income.

1       F. Individuals. For tax year 2027, a tax is hereby imposed  
2 upon the Oklahoma taxable income of every resident or nonresident  
3 individual, which tax shall be computed as follows:

4       1. Single individuals and married individuals filing  
5 separately:

6           (a) 0.00% tax on first \$3,750.00 or part thereof,

7           (b) 0.95% tax on next \$1,150.00 or part thereof,

8           (c) 1.95% tax on next \$2,300.00 or part thereof, and

9           (d) 2.95% tax on the remainder.

10       2. Married individuals filing jointly and surviving spouse to  
11 the extent and in the manner that a surviving spouse is permitted to  
12 file a joint return under the provisions of the Internal Revenue  
13 Code of 1986, as amended, and heads of households as defined in the  
14 Internal Revenue Code of 1986, as amended:

15           (a) 0.00% tax on first \$7,500.00 or part thereof,

16           (b) 0.95% tax on next \$2,300.00 or part thereof,

17           (c) 1.95% tax on next \$4,600.00 or part thereof, and

18           (d) 2.95% tax on the remainder.

19       No deduction for federal income taxes paid shall be allowed to  
20 any taxpayer to arrive at taxable income.

21       G. Individuals. For tax year 2028, a tax is hereby imposed  
22 upon the Oklahoma taxable income of every resident or nonresident  
23 individual, which tax shall be computed as follows:

1        1. Single individuals and married individuals filing

2 separately:

3        (a) 0.00% tax on first \$3,750.00 or part thereof,

4        (b) 0.35% tax on next \$1,150.00 or part thereof,

5        (c) 1.35% tax on next \$2,300.00 or part thereof, and

6        (d) 2.35% tax on the remainder.

7        2. Married individuals filing jointly and surviving spouse to

8 the extent and in the manner that a surviving spouse is permitted to

9 file a joint return under the provisions of the Internal Revenue

10 Code of 1986, as amended, and heads of households as defined in the

11 Internal Revenue Code of 1986, as amended:

12        (a) 0.00% tax on first \$7,500.00 or part thereof,

13        (b) 0.35% tax on next \$2,300.00 or part thereof,

14        (c) 1.35% tax on next \$4,600.00 or part thereof, and

15        (d) 2.35% tax on the remainder.

16        No deduction for federal income taxes paid shall be allowed to  
17 any taxpayer to arrive at taxable income.

18        H. Individuals. For tax year 2029, a tax is hereby imposed  
19 upon the Oklahoma taxable income of every resident or nonresident  
20 individual, which tax shall be computed as follows:

21        1. Single individuals and married individuals filing

22 separately:

23        (a) 0.00% tax on first \$4,900.00 or part thereof,

24        (b) 0.75% tax on next \$2,300.00 or part thereof, and

1           (c) 1.75% tax on the remainder.

2           2. Married individuals filing jointly and surviving spouse to  
3 the extent and in the manner that a surviving spouse is permitted to  
4 file a joint return under the provisions of the Internal Revenue  
5 Code of 1986, as amended, and heads of households as defined in the  
6 Internal Revenue Code of 1986, as amended:

7           (a) 0.00% tax on first \$9,800.00 or part thereof,

8           (b) 0.75% tax on next \$4,600.00 or part thereof, and

9           (c) 1.75% tax on the remainder.

10           No deduction for federal income taxes paid shall be allowed to  
11 any taxpayer to arrive at taxable income.

12           I. Individuals. For tax year 2030, a tax is hereby imposed  
13 upon the Oklahoma taxable income of every resident or nonresident  
14 individual, which tax shall be computed as follows:

15           1. Single individuals and married individuals filing  
16 separately:

17           (a) 0.00% tax on first \$4,900.00 or part thereof,

18           (b) 0.15% tax on next \$2,300.00 or part thereof, and

19           (c) 1.15% tax on the remainder.

20           2. Married individuals filing jointly and surviving spouse to  
21 the extent and in the manner that a surviving spouse is permitted to  
22 file a joint return under the provisions of the Internal Revenue  
23 Code of 1986, as amended, and heads of households as defined in the  
24 Internal Revenue Code of 1986, as amended:

- 1           (a) 0.00% tax on first \$9,800.00 or part thereof,  
2           (b) 0.15% tax on next \$4,600.00 or part thereof, and  
3           (c) 1.15% tax on the remainder.

4           No deduction for federal income taxes paid shall be allowed to  
5 any taxpayer to arrive at taxable income.

6           J. Individuals. For tax year 2031, a tax is hereby imposed  
7 upon the Oklahoma taxable income of every resident or nonresident  
8 individual, which tax shall be computed as follows:

9           1. Single individuals and married individuals filing  
10 separately:

- 11           (a) 0.00% tax on next \$7,200.00 or part thereof, and  
12           (b) 0.55% tax on the remainder.

13           2. Married individuals filing jointly and surviving spouse to  
14 the extent and in the manner that a surviving spouse is permitted to  
15 file a joint return under the provisions of the Internal Revenue  
16 Code of 1986, as amended, and heads of households as defined in the  
17 Internal Revenue Code of 1986, as amended:

- 18           (a) 0.00% tax on next \$14,400.00 or part thereof, and  
19           (c) 0.55% tax on the remainder.

20           No deduction for federal income taxes paid shall be allowed to  
21 any taxpayer to arrive at taxable income.

22           K. For tax year 2032 and subsequent tax years, there shall be  
23 no tax imposed upon the Oklahoma taxable income of any resident or  
24 nonresident individual.

1        L. Nonresident aliens. In lieu of the rates set forth in  
2 subsection A above, there shall be imposed on nonresident aliens, as  
3 defined in the Internal Revenue Code of 1986, as amended, a tax of  
4 eight percent (8%) instead of thirty percent (30%) as used in the  
5 Internal Revenue Code of 1986, as amended, with respect to the  
6 Oklahoma taxable income of such nonresident aliens as determined  
7 under the provision of the Oklahoma Income Tax Act.

8        Every payer of amounts covered by this subsection shall deduct  
9 and withhold from such amounts paid each payee an amount equal to  
10 eight percent (8%) thereof. Every payer required to deduct and  
11 withhold taxes under this subsection shall for each quarterly period  
12 on or before the last day of the month following the close of each  
13 such quarterly period, pay over the amount so withheld as taxes to  
14 the Oklahoma Tax Commission, and shall file a return with each such  
15 payment. Such return shall be in such form as the Tax Commission  
16 shall prescribe. Every payer required under this subsection to  
17 deduct and withhold a tax from a payee shall, as to the total  
18 amounts paid to each payee during the calendar year, furnish to such  
19 payee, on or before January 31~~7~~ of the succeeding year, a written  
20 statement showing the name of the payer, the name of the payee and  
21 the payee's Social Security account number, if any, the total amount  
22 paid subject to taxation, and the total amount deducted and withheld  
23 as tax and such other information as the Tax Commission may require.  
24 Any payer who fails to withhold or pay to the Tax Commission any

1 sums herein required to be withheld or paid shall be personally and  
2 individually liable therefor to the State of Oklahoma.

3 ~~E.~~ M. Corporations. For all taxable years beginning after  
4 December 31, 2021, a tax is hereby imposed upon the Oklahoma taxable  
5 income of every corporation doing business within this state or  
6 deriving income from sources within this state in an amount equal to  
7 four percent (4%) thereof.

8 There shall be no additional Oklahoma income tax imposed on  
9 accumulated taxable income or on undistributed personal holding  
10 company income as those terms are defined in the Internal Revenue  
11 Code of 1986, as amended.

12 ~~F.~~ N. Certain foreign corporations. In lieu of the tax imposed  
13 in the first paragraph of subsection ~~D~~ M of this section, for all  
14 taxable years beginning after December 31, 2021, there shall be  
15 imposed on foreign corporations, as defined in the Internal Revenue  
16 Code of 1986, as amended, a tax of four percent (4%) instead of  
17 thirty percent (30%) as used in the Internal Revenue Code of 1986,  
18 as amended, where such income is received from sources within  
19 ~~Oklahoma~~ this state, in accordance with the provisions of the  
20 Internal Revenue Code of 1986, as amended, and the Oklahoma Income  
21 Tax Act.

22 Every payer of amounts covered by this subsection shall deduct  
23 and withhold from such amounts paid each payee an amount equal to  
24 four percent (4%) thereof. Every payer required to deduct and  
25

1 withhold taxes under this subsection shall for each quarterly period  
2 on or before the last day of the month following the close of each  
3 such quarterly period, pay over the amount so withheld as taxes to  
4 the Tax Commission, and shall file a return with each such payment.  
5 Such return shall be in such form as the Tax Commission shall  
6 prescribe. Every payer required under this subsection to deduct and  
7 withhold a tax from a payee shall, as to the total amounts paid to  
8 each payee during the calendar year, furnish to such payee, on or  
9 before January 31~~7~~ of the succeeding year, a written statement  
10 showing the name of the payer, the name of the payee and the payee's  
11 Social Security account number, if any, the total amounts paid  
12 subject to taxation, the total amount deducted and withheld as tax,  
13 and such other information as the Tax Commission may require. Any  
14 payer who fails to withhold or pay to the Tax Commission any sums  
15 herein required to be withheld or paid shall be personally and  
16 individually liable therefor to the State of Oklahoma.

17 ~~G.~~ O. Fiduciaries. A tax is hereby imposed upon the Oklahoma  
18 taxable income of every trust and estate at the same rates as are  
19 provided in ~~subsection B or C~~ subsections B through K of this  
20 section for single individuals. Fiduciaries are not allowed a  
21 deduction for any federal income tax paid.

22 ~~H.~~ P. Tax rate tables. For all taxable years beginning after  
23 December 31, 1991, in lieu of the tax imposed by ~~subsection A, B or~~  
24 ~~C~~ subsections A through J of this section, as applicable there is



1 hereby imposed for each taxable year on the taxable income of every  
2 individual, whose taxable income for such taxable year does not  
3 exceed the ceiling amount, a tax determined under tables, applicable  
4 to such taxable year which shall be prescribed by the Tax Commission  
5 and which shall be in such form as it determines appropriate. In  
6 the table so prescribed, the amounts of the tax shall be computed on  
7 the basis of the rates prescribed by ~~subsection A, B or C~~  
8 subsections A through J of this section. For purposes of this  
9 subsection, the term "ceiling amount" means, with respect to any  
10 taxpayer, the amount determined by the Tax Commission for the tax  
11 rate category in which such taxpayer falls.

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

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