

1 STATE OF OKLAHOMA

2 2nd Session of the 58th Legislature (2022)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 SENATE BILL 1315

By: Bullard and Dahm

6 COMMITTEE SUBSTITUTE

7 An Act relating to income tax; providing exemption  
8 for gun or rifle manufacturer that begin or relocate  
9 operations in this state for certain period; limiting  
10 exemption to certain tax years; stating requirements  
11 for qualification; requiring determination by the  
12 Oklahoma Tax Commission; requiring annual  
13 application; prohibiting subsequent exemption for  
14 establishments that fail to qualify; requiring the  
15 Commission to prescribe forms and promulgate rules;  
16 providing for codification; and providing an  
17 effective date.

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

19 SECTION 1. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 2359.1 of Title 68, unless there  
21 is created a duplication in numbering, reads as follows:

22 A. For tax years 2023 through 2033, establishments primarily  
23 engaged in the manufacture of guns or rifles classified in the NAICS  
24 Manual under Industry No. 332994 that begin operations in this state  
or relocate operations to this state after the effective date of  
this act shall be exempt from the tax imposed by Section 2355 of  
Title 68 of the Oklahoma Statutes for the first five (5) years of  
operations in this state.

1 B. To qualify for the exemption provided in subsection A of  
2 this section, an establishment shall meet the following  
3 requirements:

4 1. Employment of at least twenty-five (25) full-time equivalent  
5 employees, as certified by the Oklahoma Employment Security  
6 Commission, for the entire tax year; and

7 2. Payment of wages or salaries at a wage that equals or  
8 exceeds the average wage requirements in the Oklahoma Quality Jobs  
9 Program Act, Section 3601 et seq. of Title 68 of the Oklahoma  
10 Statutes.

11 C. Eligibility for an establishment pursuant to this section  
12 for each tax year shall be determined by the Oklahoma Tax  
13 Commission, upon the annual filing of an application provided by the  
14 Tax Commission stating that the establishment qualifies and  
15 containing information required by the Tax Commission.

16 D. An establishment that fails to qualify for the exemption in  
17 any of the first five (5) years of operations shall not be eligible  
18 for the exemption provided in this section in any subsequent tax  
19 year.

20 E. The Tax Commission shall prescribe forms and promulgate  
21 rules to administer the provisions of this act.

22 SECTION 2. This act shall become effective November 1, 2022.

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