

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED  
5 SENATE BILL NO. 1071

By: Montgomery of the Senate

and

Wallace of the House

6  
7  
8  
9 COMMITTEE SUBSTITUTE

10 [ income tax - exemption - hydrogen manufacturer -  
11 effective date ]

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

16 SECTION 1. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 2357.91 of Title 68, unless  
18 there is created a duplication in numbering, reads as follows:

19 A. For tax years 2024 through 2034, the first Ten Million  
20 Dollars (\$10,000,000.00) of revenues generated from the operation of  
21 a newly constructed establishment in this state placed in service  
22 after the effective date of this act, primarily engaged in the  
23 manufacture of hydrogen classified in the NAICS Manual under U.S.  
24 Industry No. 325120, shall be exempt from the tax imposed by Section

1 2355 of Title 68 of the Oklahoma Statutes for the first five (5)  
2 years of operations.

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

6 1. The natural gas used in the production of the hydrogen shall  
7 be produced in this state; and

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

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

17 SECTION 2. This act shall become effective November 1, 2023.

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19 59-1-8266 JM 04/18/23

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