



Broadband Equipment Rebate Incentive Report



OKLAHOMA
Commerce

Published April 1st, 2026

Submitted by:

Oklahoma Department of Commerce

Jon Chiappe, Chief Partner & Programs Advisor

Aldwyn Sappleton, Director of Research & Economic Analysis

Walter Baker, Senior Research Analyst

Broadband Equipment Rebate Report

Introduction

The Broadband Equipment Rebate (the Rebate) is codified at 68 O.S. § 1357.21 of the Oklahoma Statutes. The Oklahoma Department of Commerce is required to prepare and file a report identifying the qualifying rural broadband projects pursuant to 68 O.S. § 1357.21. This was passed in 2021 to enable the Oklahoma Broadband Office (OBO) and the Oklahoma Tax Commission (OTC) to incentivize the continued investment in broadband equipment and the expansion in high-speed internet services that it represents.

Statute enables the creation of a sales tax rebate program. Companies track how much they paid in sales tax on equipment throughout a year and mark this on their annual tax form with a cash rebate available. The total amount of rebates that may be paid shall not exceed \$14,071,691 pursuant to 68 O.S. § 1357.21 , and these rebates were permissible beginning on July 1st, 2022. Individual rebate claims shall be lowered to a pro rata share of what is allowed if total claims exceed this cap.

This report is for informational purposes only and does not constitute a final determination, approval, or entitlement to rebate funds.

Requirements

To qualify for the rebate, a company must establish that the equipment purchase contributed to a net increase in the number of potential customers served in underserved or unserved areas. Equipment for related activities that might support an increase such as office, marketing, warehousing, and other expenses do not qualify. Companies are not entitled to the full amount of qualifying expenses in rebate, as there is a statutory cap of just over \$14M established.

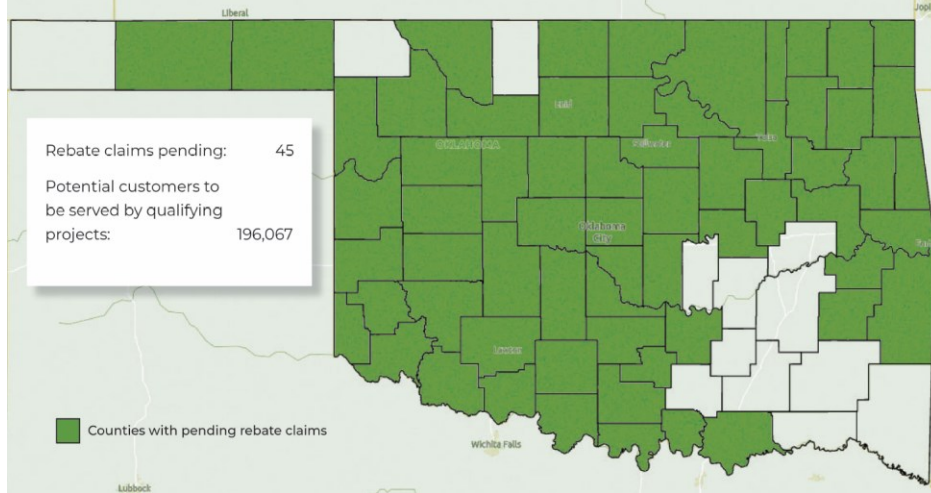
Projects

SB687 (2025) appropriated \$14,071,691 to the OTC for the purpose of paying claims for the Rebate. Since this was the first time the Rebate received a funding mechanism, the OTC had to address a backlog of 45 claims dating back to 2022. The OTC coordinated with the Oklahoma Broadband Office (OBO) to determine qualifying broadband equipment categories for assessing and reviewing claims. As of the publishing of this report, all claims are pending.

Map 1 below identifies:

- The 64 counties in which broadband projects using rebate claims are located.
- The 45 total pending rebates.
- The estimated 196,067 in potential new customers served by qualifying broadband projects.

Map 1



Note: As of the publishing of this report the OTC is actively reviewing claims and the projections detailed in this report are not yet final.

Conclusion

The State Legislature has passed statute to establish a sales tax rebate program which is administered by the OBO and OTC and reported on by the Oklahoma Department of Commerce. No claim for rebate shall be approved unless the claimant establishes that as a result of the equipment purchase there has been net growth in the number of potential customers served in underserved or unserved areas. This report contains estimates of potential customers served, derived from preliminary data submitted by claimants and under review for general consistency with program requirements. These estimates are based on projected service capacity and geographic covers associated with reported equipment purchases and do not represent verified or finalized service delivery outcome. All projects referenced are pending and have not been approved yet.

Sources

The information found in this report or used to calculate what is found in this report came from the sources listed below:

- Oklahoma Broadband Equipment Rebate legislation
- Oklahoma Broadband Office programmatic information
- Oklahoma Tax Commission programmatic information