



Oklahoma Incentive Evaluation Commission

Year Ten Project Kick-off

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Today's Agenda

- 2025 project activities to date.
- Suggested schedule for evaluations, 2025-2028.
- Draft Criteria for 2025 Evaluations (separate document)
- Proposed project timeline.
- Next steps



Project Activities to Date

- The PFM project team has one returning member – Senior Managing Consultant Joe Buckshon returns as the project team ‘second chair.’ The new members are Senior Analyst Mallory Richards and Analyst Charles Bell. The other members of the team continue to be PFM Director Randall Bauer and subcontractor Dr. Ellen Harpel.
- At the December meeting, a tentative schedule for 2025-2028 was provided.
 - Based on the discussion and further analysis, the project team recommends exempting two incentives from evaluation because of lack of use (*Automotive Employer and Automotive Employee tax credits*).
 - To balance workload and bring all the aerospace incentives into 2025, the project team recommends moving the *Training for Industry (TIP)* program to 2027 and moving four additional aerospace incentives into 2025 (*Aircraft Facilities Tax Exemption; Excise Tax Exemption on Aircraft Sales; Aircraft Repairs and Modifications Sales Tax Exemption; Aircraft Maintenance or Manufacturing Facility Use Tax Exemption*).



Suggested Incentives to Evaluate by Year: 2025 (12)

- Quality Jobs
- Small Employer Quality Jobs
- 21st Century Quality Jobs Program
- Aerospace Employer Tax Credit
- Aerospace Employee Tax Credit
- Aircraft Facilities Tax Exemption
- Aircraft Repairs and Modifications
- Aircraft Maintenance or Manufacturing Facility Use Tax Refund
- Excise Tax Exemption on Aircraft Sales
- Cybersecurity Employee Tax Credit (NEW)
- Home Office Tax Credit
- Investment/New Jobs Tax Credit

Recommend Exempt from Evaluation:

- Automotive Employer Tax Credit (NEW)
- Automotive Employee Tax Credit (NEW)



Suggested Incentives to Evaluate by Year: 2026 (10)

- Quick Action Closing Fund
- Capital Gain Deduction
- Computer Services & Data Processing Tax Exemption
- BEIP/OIEP Pooled Finance
- Excise Tax Exemption on Aircraft Sales
- Tax Deduction for Eligible Investors (NEW)
- Oklahoma Affordable Housing Tax Credit
- Construction Materials Tax Refund
- Clean Burning Fuel Tax Credit
- Ethanol Fuel Tax Credit



Suggested Incentives to Evaluate by Year: 2027 (11)

- Training for Industry (TIP)
- Strategic Industrial Development Enhancement (SIDE) Act (NEW)
- Industrial Access Road Program
- Railroad Reconstruction or Replacement Expenditures
- Rural Economic Action Plan (REAP)
- New Products Development Exemption (aka Incentives for Investors)
- Oklahoma Applied Research (OARS) Program
- Oklahoma Health Research Support Program
- Oklahoma Plant Science Research (74 O.S. 5060.53 and O.S. 5060.54) (NEW)
- Technology Transfer Income Tax Exemption
- Marketing and Utilization Loan (2 O.S. §5-3.1) (NEW)



Suggested Incentives to Evaluate by Year: 2028 (12)

- Oklahoma Rural Jobs Program
- Invest in Oklahoma Program
- Seed Capital Fund
- Small Business Incubator
- Technology Business Financing
- Historic Rehabilitation Tax Credit
- Film Enhancement Rebate
- Film and Television Production Companies Sales Tax Exemption
- Enterprise Zone Incentive Leverage Act
- Tourism Development Act
- Quality Events Act
- Five Year Ad Valorem Tax Exemption



Project Timeline

- Unlike past years, when the four-year schedule was set in December, it now falls into January
- Assuming the incentive schedule is set, the next necessary step is to set the specific criteria for evaluation for each incentive.
 - The project team provided a draft set of criteria to the criteria subcommittee
 - The draft criteria has been provided to the Commission
- In June/July internal and external stakeholder interviews, site visits and (where appropriate) surveys will be conducted.
- In mid-August, the Commission will receive working drafts.
- By October 1, the Commission will receive draft reports.
- After the public hearing, the Commission will receive updated draft reports.



Next Steps

- The full project team will attend the next Commission meeting, so that you can learn more about our project team members.
- PFM will provide the annual background document at the next Commission meeting.
 - The background document provides ‘foundational’ information on each incentive subject to evaluation.
 - It includes the incentive purpose, characteristics (refundable, transferable, carry forward, dollar caps, etc.), use, and information on similar programs in other states.

Questions and Discussion

