

## Income/Franchise:

### Oklahoma: Proposed Rule Amendments Incorporate New Legislation Regarding Election to Expense Qualified Improvement Property

*Proposed Amended Reg. sections 710:50-15-69.1, 710:50-17-51, 710:50-19-5 and 710:50-21-1 and Proposed New Reg. section 710:50-21-5, Okla. Tax Comm. (11/27/23).* The Oklahoma Tax Commission proposed administrative rule amendments reflecting legislation enacted earlier this year [see S.B. 602 (2023), and *State Tax Matters*, Issue 2023-22, for more details on this new law] providing that when an Oklahoma taxpayer elects to immediately and fully expense a qualified business expense on eligible “qualified property” or “qualified improvement property” (QIP) under state law [see H.B. 3418 (2022), and *State Tax Matters*, Issue 2022-22, for more details on this Oklahoma election], any depreciation claimed for state tax purposes may not duplicate the same amount reported on the taxpayer’s federal income tax return. A related public hearing is scheduled for January 16, 2024, and comments are due by January 17, 2024. Please contact us with any questions.

**URL:** <https://oklahoma.gov/content/dam/ok/en/tax/documents/resources/rules-and-policies/agency-rules/proposed-rules/2024/710-Chapter-50.pdf>

**URL:** <http://www.oklegislature.gov/BillInfo.aspx?Bill=SB602&session=2300>

**URL:** [https://dhub.deloitte.com/Newsletters/Tax/2023/STM/230602\\_4.html](https://dhub.deloitte.com/Newsletters/Tax/2023/STM/230602_4.html)

**URL:** <http://www.oklegislature.gov/BillInfo.aspx?Bill=hb3418&Session=2200>

**URL:** [https://dhub.deloitte.com/Newsletters/Tax/2022/STM/220603\\_2.html](https://dhub.deloitte.com/Newsletters/Tax/2022/STM/220603_2.html)

— Robert Topp (Houston)  
Managing Director  
Deloitte Tax LLP  
rtopp@deloitte.com

Grace Taylor (Houston)  
Senior Manager  
Deloitte Tax LLP  
grtaylor@deloitte.com

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