

Oklahoma

Itemized deductions. If the taxpayer itemized deductions on the federal return, complete Schedule 511-D to determine Oklahoma itemized deductions. The amount must be adjusted by adding back state and local sales or income taxes to arrive at Oklahoma itemized deductions. Oklahoma itemized deductions other than charitable contributions and medical expenses may not exceed \$17,000. Attach a copy of federal Schedule A.

Standard deduction. A taxpayer qualifies for the Oklahoma standard deduction even if the taxpayer can be claimed as a dependent on another return.

Oklahoma Standard Deduction	
Filing Status	Standard Deduction
Single, MFS	\$ 6,350
HOH	\$ 9,350
MFJ, QW	\$12,700

Exemptions

Oklahoma allows a deduction of \$1,000 for each exemption claimed on the top of the OK return.

Regular exemptions are allowed for the taxpayer, spouse (if MFJ or not claimed on another return), and any dependent claimed on the federal return. If the taxpayer can be claimed as a dependent on another return, no exemption is allowed.

Special exemptions. An additional exemption is allowed for each taxpayer or spouse who is 65 or older if federal AGI does not exceed the amount listed in the table below.

Filing Status	Federal AGI is equal to or less than:
Single	\$15,000
MFJ	\$25,000
MFS	\$12,500
HOH	\$19,000

For purposes of the special exemptions, federal AGI does not include income from the conversion of a traditional IRA to a Roth IRA. Enclose a copy of the federal return and Form 8606.

Blind. An additional exemption is allowed for each taxpayer or spouse who is legally blind.

Dependents. This is generally the same as claimed on the federal return. If claiming a dependent not on the federal return, include a statement with the dependent's name, TIN and reason for not including on federal return.

Pro-ration of deductions and exemptions. Taxpayers with out-of-state income reported on line 4 of Form 511 must complete Schedule 511-E to determine the allowable deductions and exemptions. Total deductions and exemptions are prorated by a ratio of Oklahoma AGI to federal AGI.

For those filing Form 574 (Resident/Nonresident Allocation): If the nonresident spouse also has an Oklahoma filing requirement and is filing separately on Form 511NR, the dependency exemptions will be allocated between the resident's and nonresident's returns.

Calculating Tax—Residents

Oklahoma tax is computed based on line 13 of Form 511. Use the *2022 Oklahoma Income Tax Table* on Page OK-11 if taxable income on line 13 is less than \$100,000. If taxable income is \$100,000 or more, use the *2022 Oklahoma Tax Rate Schedule for Form 511 and 511NR* on Page OK-9.

Farm income averaging. Complete Form 573 to determine tax and enter "1" in the box for line 14(a).

Health savings account. Nonqualified withdrawals are subject to an additional 10% tax. Add the additional tax to the amount

calculated under the tax table, tax rate schedule or Form 573 and enter "2" in the box for line 14(b).

Recapture of Oklahoma Affordable Housing Tax Credit is required if any federal low-income housing credits taken on a qualified project is required to be recaptured during the first 10 years after a project is placed in service. Oklahoma will require recapture of a portion of such credits. The amount of the credit subject to recapture is proportionally equal to the amount of federal low-income housing credits subject to recapture. Add the recaptured credit to the Oklahoma income tax and enter a "3" in the box for line 14(b).

Installment payment pursuant to IRC Sec. 965(h) for Oklahoma purposes if elected for federal purposes. Add the installment payment to the Oklahoma income tax calculated under the tax table, tax rate schedule or Form 573 and enter a "4" in the box for line 14(b). Provide a schedule of the tax computation.

2022 Quick Tax Method					
Single, MFS	\$ 0 – \$ 1,000	x 0.25%	minus	\$ 0.00	= Tax
	1,001 – 2,500	x 0.75%	minus	5.00	= Tax
	2,501 – 3,750	x 1.75%	minus	30.00	= Tax
	3,751 – 4,900	x 2.75%	minus	67.50	= Tax
	4,901 – 7,200	x 3.75%	minus	116.50	= Tax
	7,201 and over	x 4.75%	minus	188.50	= Tax
MFJ, QW, HOH	\$ 0 – \$ 2,000	x 0.25%	minus	0.00	= Tax
	2,001 – 5,000	x 0.75%	minus	10.00	= Tax
	5,001 – 7,500	x 1.75%	minus	60.00	= Tax
	7,501 – 9,800	x 2.75%	minus	135.00	= Tax
	9,801 – 12,200	x 3.75%	minus	233.00	= Tax
	12,201 and over	x 4.75%	minus	355.00	= Tax

Note: The above tax rate schedules are for estimation purposes only. The results will vary slightly from the tax table at the end of this tab.

Oklahoma Tax Credits

Child care/child tax credit.

- If Oklahoma AGI is equal to or larger than federal AGI, the child care credit is the greater of 20% of the federal child care expenses or 5% of the federal child tax credit and is reported on line 15.
- If Oklahoma AGI is less than federal AGI, the credit must be prorated by completing Schedule 511-F. The credit is prorated by the ratio of Oklahoma AGI to federal AGI.
- If federal AGI is greater than \$100,000, no credit is allowed.

Enclose federal Form 2441 and a copy of the federal return.

Credit for tax paid to another state. Oklahoma allows a credit for income for personal services from another state if the income is also taxed by the other state. Complete Form 511TX and furnish a copy of the other state's return or Form W-2G if the taxing state does not allow a return to be filed for gambling winnings (example: Mississippi).

Other credits that can be claimed on Form 511CR include:

- Oklahoma investment/new jobs credit (Form 506).
- Credit for verified blood donation.
- Credit for investment in a clean-burning motor vehicle fuel property (Form 567-A).
- Credit for qualified software or cybersecurity employees (Form 566).
- Credit for tourism development or qualified media production facility (carryover only).
- Oklahoma Local Development and Enterprise Zone Incentive Leverage Act credit (carryover only).
- Credit for qualified rehabilitation expenditures.
- Credit for electricity generated by zero-emission facilities.
- Credit for financial institutions making loans under the Rural Economic Development Loan Act (carryover only).