STATE OF OKLAHOMA

2nd Session of the 43rd Legislature (1992)

HOUSE BILL NO. 2209 BY: DAVIS

AS INTRODUCED

AN ACT RELATING TO REVENUE AND TAXATION; ENACTING THE OKLAHOMA ESTATE TAX SIMPLIFICATION ACT OF 1992; PROVIDING SHORT TITLE; PROVIDING FOR AMOUNT OF OKLAHOMA ESTATE TAX; PROVIDING FOR APPORTIONMENT; PROVIDING FOR FILING OF COPY OF FEDERAL RETURN AND PROCEDURES RELATED THERETO; AUTHORIZING DIRECTOR OF ESTATE TAX DIVISION OF OKLAHOMA TAX COMMISSION TO MAKE RETURNS UNDER CERTAIN CIRCUMSTANCES; DEFINING TERM; PROVIDING FOR CERTAIN ADDITIONAL TAX TO ABSORB FEDERAL CREDIT; AUTHORIZING CERTAIN ACCEPTANCE OF PARTIAL PAYMENTS; PROVIDING FOR CERTAIN RECEIPT OF TAXES PAID; REPEALING 68 O.S. 1991, SECTIONS 801, 802, 802.1, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 815.1, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826 AND 827, WHICH RELATE TO ESTATE TAXES; PROVIDING FOR CODIFICATION; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 851 of Title 68, unless there is created a duplication in numbering, reads as follows:

Sections 1 through 5 of this act shall be known and may be cited as the "Oklahoma Estate Tax Simplification Act of 1992".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 852 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. The estate of every resident decedent or the portion of the estate of every nonresident decedent which is located in this state who dies on or after July 1, 1992, shall be subject to the provisions of the Oklahoma Estate Tax Simplification Act of 1992.

B. Upon each estate or portion thereof provided for in subsection A of this section there shall be levied a tax in an amount equal to _____ percent (__%) of the federal estate tax liability of such estate or portion thereof as determined pursuant to the provisions of the Internal Revenue Code.

C. The tax levied by this act, with any interest or penalties pertaining thereto, shall be payable to and collectible by the Oklahoma Tax Commission. All revenues including fees collected under the provisions of this article shall be paid monthly by the Tax Commission to the State Treasurer to be placed to the credit of the General Revenue Fund of the state to be used for governmental functions and to be paid out only pursuant to direct appropriation by the Legislature.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 853 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. Every person required to file a federal estate tax return pursuant to the provisions of the Internal Revenue Code shall file a copy of such federal return with the Oklahoma Tax Commission. Such copy shall be filed with the Tax Commission on or before the date

the federal return is required to be filed pursuant to the provisions of the Internal Revenue Code. Copies of any amended federal returns shall also be filed with the Oklahoma Tax Commission.

B. No estate tax return shall be required to be filed with the Oklahoma Tax Commission if the estate does not require the filing of a federal estate tax return pursuant to the provisions of the Internal Revenue Code.

C. If any person fails or refuses to make any return required by the provisions of this act, the director of the Estate Tax Division of the Oklahoma Tax Commission may make such return for such person from such information as may be available, and any assessment based on such return made by the director shall be as good and sufficient as if such return had been made and filed by the person liable therefor.

D. For purposes of this section "person" means any person including a personal representative, qualified heir, distributee or trustee required or permitted to file a federal return pursuant to the provisions of the Internal Revenue Code.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 854 of Title 68, unless there is created a duplication in numbering, reads as follows:

In case the tax levied upon the estate by this act is less than the credit allowed by the federal government on estate tax imposed upon the net estate, for state estate and inheritance taxes imposed upon the net estate, pursuant to Section 2011 of the Internal Revenue Code, then, in that event, there is hereby levied an additional tax which shall be and is hereby imposed upon the value of the net estate, as of the date of the determination of such federal estate tax, equal to the difference between such credit and the Oklahoma estate tax levied upon the net estate and transfers by this act. Such credit allowed by the federal government shall be

the percentage of such credit which is the percentage which the value of the property of the estate taxable in Oklahoma bears to the total value of the estate of the decedent. Such additional tax to absorb said credit shall be determined, assessed, collected and paid under this act.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 855 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Tax Commission is authorized to accept payment of any tax hereunder in partial payments and shall provide by rules and regulations for the manner, method and time of making such partial payments.

B. Upon the payment of taxes, interest and penalties the Tax Commission shall issue its official receipt therefor. The Commission may, if requested, issue acquittances, releases and waivers for the transfer of stock or shares which shall be admitted to record and registration without further attestation; and such receipt or certificate shall be furnished by the Tax Commission without cost to the estate or beneficiaries. The Tax Commission may issue a duplicate certificate, showing that the tax upon any particular parcel or tract of real estate has been paid, to any person entitled to such certificate under the provisions of this article, charging therefor a fee of fifty cents ($0.50).

SECTION 6. REPEALER 68 O.S. 1991, Sections 801, 802, 802.1, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 815.1, 816, 816.1, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826 and 827, are hereby repealed.

SECTION 7. This act shall become effective July 1, 1992.

SECTION 8. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

43-2-7364 DDL