

STATE OF OKLAHOMA

2nd Session of the 43rd Legislature (1992)

SENATE BILL NO. 996

BY: SNYDER

AS INTRODUCED

AN ACT RELATING TO REVENUE AND TAXATION; PROVIDING FOR CERTAIN RECOVERY OF CERTAIN TAXES PAID AFTER CERTAIN DATE; MAKING COMMISSIONERS OF THE LAND OFFICE EXEMPT FROM CERTAIN TIME LIMITATIONS; PROVIDING FOR PAYMENT OF CERTAIN TAXES PURSUANT TO CERTAIN PROCEDURES; ALLOWING CREATION OF CERTAIN PRESUMPTION; ALLOWING PRESENTATION OF EVIDENCE IN REBUTTAL; RELIEVING THE OKLAHOMA TAX COMMISSION OF CERTAIN PRESUMPTION; ESTABLISHING CERTAIN LIABILITY FOR TAXES ON CERTAIN INTEREST; AUTHORIZING TAX COMMISSION TO MAKE REFUND PAYMENTS UNDER CERTAIN CIRCUMSTANCES; GRANTING CERTAIN STATUS TO COMMISSIONERS OF THE LAND OFFICE; PROVIDING FOR CERTAIN CONSTRUCTION; REPEALING 64 O.S. 1991, SECTION 294, WHICH BARS COMMISSIONERS OF THE LAND OFFICE FROM CERTAIN RECOVERY OF TAXES; PROVIDING FOR CODIFICATION; 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 1008a of Title 68, unless there is created a duplication in numbering, reads as follows:

A. If any person responsible for paying oil or gas royalty to the Commissioners of the Land Office has, after January 1, 1978, paid or caused to be paid, or pays, or causes to be paid, to the Oklahoma Tax Commission, gross production tax pursuant to Section 1001 of Title 68 of the Oklahoma Statutes, petroleum excise tax pursuant to Section 1102 of Title 68 of the Oklahoma Statutes, or conservation excise tax pursuant to Section 1108 of Title 68 of the Oklahoma Statutes, on such royalty, the Commissioners of the Land Office shall recover the taxes so paid directly from the Oklahoma Tax Commission. For the purposes of this act, the Commissioners of the Land Office shall not be subject to the time limitations for refunds of Section 227 or Section 1008 of Title 68 of the Oklahoma Statutes.

B. Upon written request and proper documentation provided by the Commissioners of the Land Office, the Oklahoma Tax Commission shall pay to the Commissioners of the Land Office any gross production tax pursuant to Section 1001 of Title 68 of the Oklahoma Statutes, petroleum excise tax pursuant to Section 1101 of Title 68 of the Oklahoma Statutes, excise tax on gas, pursuant to Section 1102 of Title 68 of the Oklahoma Statutes, or conservation excise tax pursuant to Section 1108 of Title 68 of the Oklahoma Statutes paid on oil or gas royalty due to the Commissioners of the Land Office. Said written request shall only be issued as the result of a determination by the Commissioners of the Land Office that erroneous payment of such gross production tax pursuant to Section 1001 of Title 68 of the Oklahoma Statutes, excise tax on gas pursuant to Section 1102 of Title 68 of the Oklahoma Statutes, or conservation excise tax pursuant to Section 1108 of Title 68 of the Oklahoma Statutes has been made to the Oklahoma Tax Commission after

January 1, 1978. Such determination by the Commissioners of the Land Office may create a presumption that the evidence upon which the Commissioners of the Land Office relied in reaching the determination of erroneous payment is correct. The Oklahoma Tax Commission shall not, however, be bound by the presumption of correctness but may, if the Oklahoma Tax Commission deems the circumstances to warrant, present evidence in rebuttal thereof.

C. Any person responsible for paying oil or gas royalty to the Commissioners of the Land Office who has, after January 1, 1978, paid or caused to be paid, or pays, or causes to be paid, to the Oklahoma Tax Commission, gross production tax pursuant to Section 1001 of Title 68 of the Oklahoma Statutes, petroleum excise tax pursuant to Section 1101 of Title 68 of the Oklahoma Statutes, excise tax on gas pursuant to Section 1103 of Title 68 of the Oklahoma Statutes, or conservation excise tax pursuant to Section 1108 of Title 68 of the Oklahoma Statutes, on said royalty, shall be liable to the Commissioners of the Land Office for interest thereon, pursuant to the Oklahoma Statutes.

D. The Oklahoma Tax Commission is hereby authorized to make refund payments to the Commissioners of the Land Office pursuant to the provisions of this act as though the Commissioners of the Land Office were a taxpayer or tax remitter.

E. Nothing in this act shall preclude the Commissioners of the Land Office from collecting royalty payments directly from their lessees or the designees of their lessees, other than as specified in this act.

SECTION 2. REPEALER 64 O.S. 1991, Section 294, is hereby repealed.

SECTION 3. 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.

43-2-1920

WHT