

SHORT TITLE: Revenue and taxation; allowing federal or armed forces retirees to receive refunds as credits against income or estate taxes; codification; emergency.

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

SENATE BILL NO. 1078

By: Rubottom

AS INTRODUCED

An Act relating to revenue and taxation; allowing certain individuals to receive credit against income taxes or estate taxes owed for taxes paid on certain retirement benefits; specifying time period within which such credit is allowed; specifying procedures for payment if amount of refund exceeds income taxes owed or if individual has died prior to full payment; 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 2357.13 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. Any individual who, prior to April 15, 1992, properly filed a claim for refund of taxes paid on retirement benefits received during calendar years 1985, 1986, 1987 or 1988 from the civil service of the United States or from any component of the Armed Forces of the United States shall be entitled to payment of such refund according to one of the following methods:

1. Such individual may be allowed a direct credit against income taxes owed by such individual to the State of Oklahoma for the amount of his claim and any interest accruing thereto as provided by law. Such credit shall be allowed for calendar years

1994, 1995 and 1996. In a case where such an individual has no income tax liability or where the amount of the claim for refund and any interest accruing thereto as provided by law exceeds the individual's income tax liability for calendar years 1994, 1995 and 1996, such claim and any interest accruing thereto as provided by law, or any balance thereof, shall be paid out in the same manner and out of the same fund as refunds of income taxes are paid and so much of said fund as is necessary for such purposes is hereby appropriated; or

2. Such individual may be allowed a direct credit against estate taxes levied pursuant to Section 801 et seq. of Title 68 of the Oklahoma Statutes after his or her death. If the amount of the claim for refund and any interest accruing thereto as provided by law which has not been paid exceeds the estate tax liability, such claim and any interest accruing thereto as provided by law, or any balance thereof, shall be paid to the estate of the individual in the same manner and out of the same fund as refunds of income taxes are paid and so much of said fund as is necessary for such purposes is hereby appropriated.

B. In a case where such an individual has died prior to receiving the full amount of such claim and any interest accruing thereto as provided by law as a credit against income taxes, the amount of such claim and any interest accruing thereto as provided by law which has not been paid shall be allowed as a direct credit against estate taxes levied pursuant to the provisions of Section 801 et seq. of Title 68 of the Oklahoma Statutes. If the amount of the claim for refund and any interest accruing thereto as provided by law which has not been paid exceeds the estate tax liability, such claim and any interest accruing thereto as provided by law, or any balance thereof, shall be paid to the estate of the individual in the same manner and out of the same fund as refunds of income

taxes are paid and so much of said fund as is necessary for such purposes is hereby appropriated.

SECTION 2. 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.

44-2-1379

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