

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

HOUSE BILL NO. 2071

By: Bass

AS INTRODUCED

An Act relating to revenue and taxation; amending 68 O.S. 1991, Section 821, which relates to estates not taxable; providing for Oklahoma Tax Commission to issue order releasing certain property from taxation under certain circumstances; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 1991, Section 821, is amended to read as follows:

Section 821. ~~(a)~~ A. In all cases involving estates which are not taxable under the terms of this article and where no order releasing estate tax liability has been issued by the district court, the Tax Commission if requested shall issue its order exempting such estate and the executor, administrator and beneficiaries from the payment of any estate tax. Before issuing such order, the Tax Commission may require a tax return to be filed. Such order shall contain the valuation of the estate, the deductions which have been allowed and may give the reason for the finding of the Tax Commission. The order shall be under the seal of the Tax Commission, and a copy thereof may be filed with the judge of the district court and considered in the allowance and settlement of any

final account. Such order shall be furnished by the Tax Commission without cost to the estate or beneficiaries. The Tax Commission may issue a duplicate order, showing there is no tax due upon any particular parcel or tract of real estate returned as an asset of the estate, to any person entitled to such certificate under the provisions of this article, charging therefor a fee of fifty cents (\$0.50).

~~(b)~~ B. Except insofar as it affects property passing from a decedent to a surviving spouse, the allowance of any final account or order of distribution and discharge of the administrator, executor, trustee and their bondsmen shall be invalid as against the state unless the district court shall have made an order releasing estate tax liability, and shall be set aside upon application of the Tax Commission unless the tax due under this article has been paid in full; and such administrator, executor, trustee or transferee liable for such tax shall exhibit the receipt of the Tax Commission to the district court before said court shall make a final or partial distribution of the estate unless the court shall make an order releasing estate tax liability.

C. In all cases involving property held by a decedent as a life tenant, the Tax Commission shall issue an order exempting and releasing the property from estate tax liability when the Tax Commission determines that the property is not a taxable asset of the estate of the decedent.

SECTION 2. This act shall become effective September 1, 1994.

44-2-7579

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