ENGROSSED HOUSE
BILL NO. 2244

By: Weese of the House

and

Snyder of the Senate

An Act relating to revenue and taxation; amending 68 O.S. 1991, Sections 2385.7 and 2385.9, which relate to payment of estimated taxes; raising minimum amount of tax required to make a declaration of estimated tax; raising minimum amount of estimated tax required to elect to pay quarterly tax installments; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 1991, Section 2385.7, is amended to read as follows:

Section 2385.7 Every taxpayer, as defined by Section 2353 of this title, other than estates and any individual whose gross income from farming for the taxable year is at least sixty-six and two-thirds percent (66 2/3%) of the total estimated gross income from all sources for the taxable year, shall make a declaration of the estimated tax for the taxable year if:

(a) In the case of a single individual taxpayer whose tax liability can reasonably be expected to be ~~One Hundred Dollars ($100.00)~~ Five Hundred Dollars ($500.00) or more in excess of taxes to be withheld from wages;

(b) In the case of married individuals whose combined tax liability can reasonably be expected to be ~~One Hundred Dollars ($100.00)~~ Five Hundred Dollars ($500.00) or more in excess of taxes to be withheld from wages;

(c) In the case of a corporation or trust when the tax for the taxable year can reasonably be expected to be Five Hundred Dollars ($500.00) or more.

SECTION 2. AMENDATORY 68 O.S. 1991, Section 2385.9, is amended to read as follows:

Section 2385.9 The amount of estimated tax with respect to which a declaration is required shall be paid at the time of filing the declaration, except that if the estimated tax is more than ~~One Hundred Dollars ($100.00)~~ Five Hundred Dollars ($500.00) it may at the election of the taxpayer be paid in four equal installments as follows:

(a) In the case of a taxpayer on a calendar year basis, the first installment shall be paid at the time of the filing of the declaration, the second and third on June 15 and September 15, respectively, of the taxable year and the fourth on January 15 of the succeeding taxable year. Provided, however, if taxpayer files return and pays tax due on or before January 31, the payment of the installment due January 15 is waived;

(b) In the application of this section to the case of a taxable year beginning on any date other than January 1, there shall be substituted, for the months specified in this section, the months which correspond thereto.

SECTION 3. This act shall become effective January 1, 1997.

Passed the House of Representatives the 26th day of February, 1996.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1996.

President of the Senate