

SB 844

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THE STATE SENATE  
Tuesday, February 24, 2004

Senate Bill No. 844  
As Amended

SENATE BILL NO. 844 - By: SNYDER of the Senate and PHILLIPS of the House.

[ revenue and taxation - modifying income tax - providing for suspension of licenses - effective date - emergency ]

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

SECTION 1. AMENDATORY 68 O.S. 2001, Section 238.1, is amended to read as follows:

Section 238.1 A. It is the intent of the Legislature that the provisions of this section operate to provide for the collection of income taxes due to the State of Oklahoma by persons holding state licenses in a manner that will maximize flexibility for licensees to pay any such taxes due while minimizing inconvenience to licensees and disruption to operations of licensing entities. It is the further intent of the Legislature that the Oklahoma Tax Commission allow at least six (6) months notice to licensees pursuant to the provisions of subsection C of this section prior to notification of noncompliance to a licensing entity.

B. Each licensing entity shall, on a date that allows the Tax Commission to comply with the notice provisions of subsection A of this section, provide to the Tax Commission a list of all its

1 licensees and such identifying information as may be required by the  
2 Tax Commission. Such list and information shall be used by the Tax  
3 Commission exclusively for the purpose of collection of income taxes  
4 due to the State of Oklahoma. The provisions of any laws making  
5 application information confidential shall not apply with respect to  
6 information supplied to the Tax Commission pursuant to the  
7 provisions of this section; provided, such information shall be  
8 subject to the provisions of Section 205 of ~~Title 68 of the Oklahoma~~  
9 ~~Statutes~~ this title.

10 C. The Tax Commission shall notify any licensee who is not in  
11 compliance with the income tax laws of this state. Such  
12 notification shall include:

13 1. A statement that the licensee's license will ~~not be renewed~~  
14 be suspended until the taxpayer is deemed by the Tax Commission to  
15 be in compliance with the income tax laws of this state;

16 2. The reasons that the taxpayer is considered to be out of  
17 compliance with the income tax laws of this state, including a  
18 statement of the amount of any tax, penalties and interest due or a  
19 list of the tax years for which income tax returns have not been  
20 filed as required by law;

21 3. An explanation of the rights of the taxpayer and the  
22 procedures which must be followed by the taxpayer in order to come  
23 into compliance with the income tax laws of this state; and

1           4. Such other information as may be deemed necessary by the Tax  
2 Commission.

3           D. A licensee who has entered into and is abiding by a payment  
4 agreement, or who has requested relief as an innocent spouse which  
5 is pending or has been granted, shall be deemed to be in compliance  
6 with the state income tax laws for purposes of this section.

7           E. If the Tax Commission notifies a licensee who is not in  
8 compliance with the income tax laws of this state as required in  
9 this section and such licensee does not respond to such notification  
10 or fails to come into compliance with the income tax laws of this  
11 state after an assessment has been made final or after the Tax  
12 Commission determines that every reasonable effort has been made to  
13 assist the licensee to come into compliance with the income tax laws  
14 of this state, the Tax Commission, notwithstanding the provisions of  
15 Section 205 of this title, shall so notify the licensing entity,  
16 which shall ~~not renew~~ suspend the licensee's license ~~at such time as~~  
17 ~~it is subject to renewal~~ and shall notify the applicant of the  
18 reason for ~~nonrenewal~~ suspension. Any such suspension shall be  
19 effective on the thirtieth working day after the date of such  
20 notification and shall continue for a period of not to exceed  
21 twenty-four (24) months. If a licensee who has been previously  
22 reported by the Tax Commission to a licensing entity as being out of  
23 compliance comes into compliance, the Tax Commission shall

1 immediately notify the licensing entity and any suspended license  
2 held by such licensee shall be immediately reinstated and the  
3 licensee so notified by the licensing entity; provided, if any  
4 suspension imposed pursuant to the provisions of this section  
5 results in a requirement that the licensee complete continuing  
6 education, an examination or any other condition of reinstatement,  
7 the licensee shall be required to fulfill such requirements prior to  
8 reinstatement of the license. Any and all licensing fees that come  
9 due during the suspension period shall be required to be paid in  
10 full as a condition of reinstatement. If the licensee does not come  
11 into compliance within twenty-four (24) months of the date of  
12 suspension, the licensing entity shall proceed to revoke the  
13 license. A licensing entity shall not be held liable for any action  
14 with respect to a state license pursuant to the provisions of this  
15 section.

16 F. If the Oklahoma Bar Association receives notice that a  
17 licensed attorney is not in compliance with the income tax laws of  
18 this state as provided in this section, the Bar Association shall  
19 begin proceedings by which the attorney may be suspended pursuant to  
20 Rule Governing Disciplinary Proceedings. If suspended, the attorney  
21 may be reinstated pursuant to reinstatement procedures as provided  
22 in the Rules Governing Disciplinary Proceedings.

1 G. The Tax Commission shall promulgate rules for the  
2 implementation of the provisions of this section.

3 H. As used in this section:

4 1. "State license" means a license, certificate, registration,  
5 permit, approval or other similar document issued by a licensing  
6 entity granting to an individual or business a right or privilege to  
7 engage in a profession, occupation or business in this state.

8 "State license" does not include an inactive license issued by a  
9 licensing entity which does not grant an individual the right to  
10 engage in a profession, occupation or business in this state; and

11 2. "Licensing entity" means a bureau, department, division,  
12 board, agency, commission or other entity of this state or of a  
13 municipality in this state that issues a state license.

14 SECTION 2. This act shall become effective July 1, 2004.

15 SECTION 3. It being immediately necessary for the preservation  
16 of the public peace, health and safety, an emergency is hereby  
17 declared to exist, by reason whereof this act shall take effect and  
18 be in full force from and after its passage and approval.

19 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 2-17-04 - DO PASS,  
20 As Amended and Coauthored.