

ENGROSSED SENATE
BILL NO. 1435

By: Crain of the Senate

and

Sullivan of the House

An Act relating to revenue and taxation; amending 68 O.S. 2001, Section 801, which relates to determination of state's claim for inheritance or transfer taxes; modifying contents of certain notice; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 2001, Section 801, is amended to read as follows:

Section 801. In any action to determine heirs, partition real estate, quiet title thereto, foreclose a lien thereon, or any combination thereof, where such title has been derived wholly or in part, directly or remotely, by inheritance, devise or gift made in contemplation of death, from any deceased person, the State of Oklahoma may be made a party defendant for the purpose of determining its claim against the estate of such deceased person for inheritance or transfer taxes. The court shall not acquire jurisdiction to enter any judgment against the State of Oklahoma or the Oklahoma Tax Commission in any such action until there shall have been served on the Oklahoma Tax Commission, in the manner hereinafter provided, a notice of the pendency of the suit containing the title and number under which the action is filed, the court in which filed, the name, date and place of death of the deceased person, if known by the plaintiff, the name, relationship and address, if known, of each heir, executor, administrator, devisee, trustee, and assign, of such deceased person, the identifying number of any tax liens which may have been filed against the decedent, and a description of the real estate covered

by such action in which it is claimed the decedent owned or held any right, title or interest, which notice shall be signed by the plaintiff or his attorney of record. The notice, with a copy of the petition in the cause thereto attached, shall be served on the Oklahoma Tax Commission in the same manner as for the service of summons. The Oklahoma Tax Commission or its General Counsel may, in lieu of service, accept service by indorsement of such acceptance on one copy of the notice and the service or acceptance of service shall operate to make the State of Oklahoma a party to such action. The Oklahoma Tax Commission may in its discretion, without service of any notice on the Commission, disclaim or plead in any such cause. The Oklahoma Tax Commission shall have forty (40) days after the date of service or acceptance of service within which to plead in the cause, and the Oklahoma Tax Commission shall set up any interest the State of Oklahoma may have in the subject matter of the action. If the Oklahoma Tax Commission fails to answer such petition within the time allowed, judgment may be rendered foreclosing the State of Oklahoma from any interest, lien or claim for state taxes, interest or penalty on or against the property described in the notice. Provided, that in all cases where the person, or persons, owning the real property involved in the action at the time of death has been dead for more than ten (10) years, prior to the institution of the action and such facts are set forth in the petition, it shall not be necessary to make the State of Oklahoma a party to such action.

SECTION 2. This act shall become effective November 1, 2006.

Passed the Senate the 28th day of February, 2006.

Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____,
2006.

Presiding Officer of the House
of Representatives