

3 Senate Bill No. 1435

4 SENATE BILL NO. 1435 - By: CRAIN of the Senate and SULLIVAN of the
5 House.

6 An Act relating to revenue and taxation; amending 68 O.S.
7 2001, Section 801, which relates to determination of state's
8 claim for inheritance or transfer taxes; modifying contents
9 of certain notice; and providing an effective date.

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

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

13 Section 801. In any action to determine heirs, partition real
14 estate, quiet title thereto, foreclose a lien thereon, or any
15 combination thereof, where such title has been derived wholly or in
16 part, directly or remotely, by inheritance, devise or gift made in
17 contemplation of death, from any deceased person, the State of
18 Oklahoma may be made a party defendant for the purpose of
19 determining its claim against the estate of such deceased person for
20 inheritance or transfer taxes. The court shall not acquire
21 jurisdiction to enter any judgment against the State of Oklahoma or
22 the Oklahoma Tax Commission in any such action until there shall
23 have been served on the Oklahoma Tax Commission, in the manner
24 hereinafter provided, a notice of the pendency of the suit
25 containing the title and number under which the action is filed, the

1 court in which filed, the name, date and place of death of the
2 deceased person, if known by the plaintiff, the name, relationship
3 and address, if known, of each heir, executor, administrator,
4 devisee, trustee, and assign, of such deceased person, the
5 identifying number of any tax liens which may have been filed
6 against the decedent, and a description of the real estate covered
7 by such action in which it is claimed the decedent owned or held any
8 right, title or interest, which notice shall be signed by the
9 plaintiff or his attorney of record. The notice, with a copy of the
10 petition in the cause thereto attached, shall be served on the
11 Oklahoma Tax Commission in the same manner as for the service of
12 summons. The Oklahoma Tax Commission or its General Counsel may, in
13 lieu of service, accept service by indorsement of such acceptance on
14 one copy of the notice and the service or acceptance of service
15 shall operate to make the State of Oklahoma a party to such action.
16 The Oklahoma Tax Commission may in its discretion, without service
17 of any notice on the Commission, disclaim or plead in any such
18 cause. The Oklahoma Tax Commission shall have forty (40) days after
19 the date of service or acceptance of service within which to plead
20 in the cause, and the Oklahoma Tax Commission shall set up any
21 interest the State of Oklahoma may have in the subject matter of the
22 action. If the Oklahoma Tax Commission fails to answer such
23 petition within the time allowed, judgment may be rendered

1 foreclosing the State of Oklahoma from any interest, lien or claim
2 for state taxes, interest or penalty on or against the property
3 described in the notice. Provided, that in all cases where the
4 person, or persons, owning the real property involved in the action
5 at the time of death has been dead for more than ten (10) years,
6 prior to the institution of the action and such facts are set forth
7 in the petition, it shall not be necessary to make the State of
8 Oklahoma a party to such action.

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

10 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY, dated 2-14-06 - DO
11 PASS, As Coauthored.