

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

HOUSE JOINT
RESOLUTION 1038

By: Rousselot

AS INTRODUCED

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to Section 53 of Article V of the Constitution of the State of Oklahoma; modifying provisions related to statute of limitations upon state tax liabilities; imposing statute of limitations for liabilities created or admitted on or after certain date; providing exception; providing ballot title; and directing filing.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE 2ND SESSION OF THE 50TH OKLAHOMA LEGISLATURE:

SECTION 1. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to Section 53 of Article V of the Constitution of the State of Oklahoma to read as follows:

Section 53. A. Except as to tax and assessment charges against real property remaining delinquent and unpaid for a period of time as long or longer than that provided by law to authorize the taking title to real property by prescription, and except as otherwise provided by subsection B of this section, the Legislature shall have no power to release or extinguish, or to authorize the releasing or extinguishing, in whole or in part, the indebtedness, liabilities, or obligations of any corporation or individual, to this State, or any county or other municipal corporation thereof.

B. Effective January 1, 2007, an assessment of any state tax made by the Oklahoma Tax Commission, or any successor entity, which becomes final and absolute or an admitted tax liability based upon a

filed tax return of any type, which results in a state tax liability shall be collected in full, to the extent allowed by applicable laws governing discharge of such liabilities in bankruptcy, or collection activity shall commence within ten (10) years from the date upon which the assessment became final and absolute or from the date upon which the tax return was either filed, if the filing date can be determined, or from the date the tax return was executed by the taxpayer. If collection of the state tax liability has not been completed or commenced within the period prescribed by this subsection, the liability shall be extinguished. The provisions of this subsection shall not extinguish any state tax liability if any attempt to collect the liability was commenced prior to the expiration of the period prescribed by this subsection.

C. The provisions of subsection B of this section shall not be applicable to any form of tax liability which was created, admitted or otherwise established prior to January 1, 2007, and shall be applicable only to such state tax liabilities created, admitted or otherwise established on or after January 1, 2007.

SECTION 2. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 1 of this resolution shall be in the following form:

BALLOT TITLE

Legislative Referendum No. _____ State Question No. _____

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends the Oklahoma Constitution. It amends Section 53 of Article 5. This section is about debts owed to the State of Oklahoma. This would include tax debts. If this measure passes, beginning January 1, 2007, tax debts would be limited to a period of ten years from the date the debt was established. The debt could be a result of an assessment by the Tax Commission. The debt could be a result of a tax return filed by a taxpayer. The state would be required to collect a

tax debt or start collection of the debt within ten years from the date of the tax debt. If the debt was not collected within ten years or if collection did not begin within ten years, the debt would be eliminated. This provision would not apply to any tax debts that existed prior to January 1, 2007.

SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL - YES _____

AGAINST THE PROPOSAL - NO _____

SECTION 3. The Chief Clerk of the House of Representatives, immediately after the passage of this resolution, shall prepare and file one copy thereof, including the Ballot Title set forth in SECTION 2 hereof, with the Secretary of State and one copy with the Attorney General.

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