

1 ENGROSSED SENATE AMENDMENT  
TO

2 ENGROSSED HOUSE  
3 BILL NO. 1284

By: Dank and Pittman of the  
House

4 and

5 Mazzei of the Senate

6  
7 An Act relating to revenue and taxation; requiring  
8 certain reports to the Oklahoma Tax Commission and  
9 the State Insurance Department with respect to  
10 certain state tax credits; requiring compilation of  
11 report by Tax Commission and Insurance Department;  
12 requiring submission of report; prescribing content  
13 and format of report; requiring revenue estimate;  
14 requiring Oklahoma Tax Commission or Insurance  
Department to disallow tax credits for failure to  
report pursuant to requirement; providing for  
recomputation of tax liability; providing for penalty  
and interest; excluding certain credits from  
requirements; providing for codification; providing  
an effective date; and declaring an emergency.

15 AMENDMENT NO. 1. Page 1, strike the title, enacting clause and  
16 entire bill and insert

17 "[ revenue and taxation - reports to Tax Commission  
18 and Insurance Department - disallow tax credits - tax  
19 liability - penalty and interest - excluding credits  
- codification - effective date -  
emergency ]

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

21 SECTION 1. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 2357.1A-1 of Title 68, unless  
23 there is created a duplication in numbering, reads as follows:  
24

1 A. Notwithstanding any other provision of law, the transfer or  
2 allocation of any tax credit authorized pursuant to the provisions  
3 of Title 68 of the Oklahoma Statutes, except as provided in this  
4 section, shall be reported to the Oklahoma Tax Commission and any  
5 tax credit authorized pursuant to the provisions of Title 36 of the  
6 Oklahoma Statutes shall be reported to the Oklahoma Insurance  
7 Department as provided in subsection B of this section.

8 B. The transfer or allocation of any tax credit shall be  
9 reported to the Tax Commission or Insurance Department by the entity  
10 transferring or allocating the credit on or before the twentieth day  
11 of the second month after the tax year in which an act occurs which  
12 allows the tax credit to eventually be claimed. If the credit is  
13 transferrable, the report shall state whether the credit will or may  
14 be transferred to another taxpayer and the names of the taxpayers to  
15 whom the credit is transferred. The report shall also provide  
16 whether the credit will or may be allocated by a pass-through entity  
17 to one or more of the shareholders, partners or members of the pass-  
18 through entity and the identity of the shareholders, partners or  
19 members of the pass-through entity to whom the credit was allocated.  
20 Further, the report shall include the tax type, the amount of the  
21 credit, the statutory or other legal authority which forms the basis  
22 for the credit, and other information that may be required by the  
23 Tax Commission or the Insurance Department. The report to the Tax  
24 Commission or to the Insurance Department shall be on such form as

1 the Commission or Department may prescribe. The Tax Commission and  
2 the Insurance Department shall be authorized to require the report  
3 to be filed electronically.

4 C. Notwithstanding the provisions of Section 205 of Title 68 of  
5 the Oklahoma Statutes the Tax Commission and the Insurance  
6 Department shall compile a list of all tax credits reported as  
7 required by this section and shall provide the list to the Governor,  
8 the Speaker of the Oklahoma House of Representatives, the President  
9 Pro Tempore of the State Senate and the Director of the Office of  
10 State Finance not later than June 1 of each year.

11 D. The compiled list shall identify the tax credits reported  
12 pursuant to subsection A of this section and shall separately  
13 identify the amount of tax credits that may be claimed against each  
14 separate state tax under the jurisdiction of the administering  
15 agency and the name of the entity that will be claiming the credit.

16 E. To the extent possible, the Tax Commission and the Insurance  
17 Department shall make an estimate of the revenue impact to the State  
18 of Oklahoma resulting from the credits reported on a separate fiscal  
19 year by fiscal year basis. Each agency shall make its estimate only  
20 for tax credits under the jurisdiction of each administering agency.

21 F. If a taxpayer claims a credit on any state tax return that  
22 was not previously reported to the Tax Commission or Insurance  
23 Department pursuant to this section, the Tax Commission or Insurance  
24 Department shall disallow the credit and recompute the applicable

1 tax liability including any penalty or interest; provided, upon the  
2 filing of the report required by this section, the credit shall be  
3 allowed.

4 G. This section shall not be applicable to the following tax  
5 credits:

6 1. The sales tax relief credit authorized by Section 5011 of  
7 Title 68 of the Oklahoma Statutes;

8 2. The low income property tax relief credit authorized by  
9 Section 2907 of Title 68 of the Oklahoma Statutes;

10 3. The earned income tax credit authorized by Section 2357.43  
11 of Title 68 of the Oklahoma Statutes;

12 4. The child care/child tax credit authorized by Section 2357  
13 of Title 68 of the Oklahoma Statutes;

14 5. The credit for taxes paid to another state authorized by  
15 Section 2357 of Title 68 of the Oklahoma Statutes; and

16 6. The credit for property taxes paid on tornado damaged  
17 residential property authorized by Section 2357.29 of Title 68 of  
18 the Oklahoma Statutes.

19 SECTION 2. This act shall become effective July 1, 2011.

20 SECTION 3. It being immediately necessary for the preservation  
21 of the public peace, health and safety, an emergency is hereby  
22 declared to exist, by reason whereof this act shall take effect and  
23 be in full force from and after its passage and approval."  
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1 Passed the Senate the 19th day of April, 2011.

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3 \_\_\_\_\_  
4 Presiding Officer of the Senate

5 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
6 2011.

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8 \_\_\_\_\_  
9 Presiding Officer of the House  
10 of Representatives