

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend SB1436
Page 1 Section _____ Lines 14 1/2
Of the printed Bill
Of the Engrossed Bill

By inserting a new Section 2 to read as follows:

(INSERT ATTACHED);

And by renumbering subsequent sections

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Todd Russ _____

Reading Clerk

1 "SECTION ____ . AMENDATORY 68 O.S. 2011, Section 1218, is
2 amended to read as follows:

3 Section 1218. A. ~~For~~ Except as otherwise provided by this
4 subsection, tax years beginning on or after January 1, 2010, there
5 is hereby levied on each person doing business in this state an
6 annual tax in the amount of Twenty-five Dollars (\$25.00). No sole
7 proprietor or lawfully recognized business entity having gross
8 revenue of less than One Million Dollars (\$1,000,000.00) per year
9 shall be required to pay the tax otherwise authorized by this
10 subsection.

11 B. In addition to the tax levied in subsection A of this
12 section, there shall be levied a tax equal to one percent (1%) of
13 the net revenue derived from business activity that is allocated or
14 apportioned to Oklahoma. No sole proprietor or lawfully recognized
15 business entity having gross revenue of less than One Million
16 Dollars (\$1,000,000.00) per year shall be required to pay the tax
17 otherwise authorized by this subsection.

18 C. Notwithstanding the provisions of subsection B of this
19 section for tax years 2010, 2011, and 2012, corporations and any
20 other persons subject to the franchise tax levied under the
21 provisions of Sections 1203, 1204 or 1205 of ~~Title 68 of the~~
22 ~~Oklahoma Statutes~~ this title, the tax due under this section shall
23 be equal to the amount such person paid or was required to pay for
24 the taxable period ending prior to December 31, 2010.

1 D. Except as provided in subsections A and C of this section,
2 no person shall be required to remit the tax levied pursuant to
3 subsection B of this section for tax years 2010, 2011, and 2012.

4 E. The tax hereby levied shall be payable annually as provided
5 in Section 7 of this act.

6 F. The tax so levied or imposed pursuant to this section, when
7 paid in full as provided in this act, or if not paid as a result of
8 the exemption based on gross revenue authorized pursuant to
9 subsection A or subsection B of this section, shall be in lieu of
10 any and all other taxes imposed by the state, counties, cities,
11 towns, townships, school districts, and other municipalities or
12 political subdivisions of the state on intangible personal property
13 of each such person, except for public service corporations,
14 railroads and air carriers.

15 G. The tax remitted in 2011 shall also be in lieu of the ad
16 valorem tax on intangible personal property of each such person,
17 except for public service corporations, railroads and air carriers
18 for the calendar years 2007, 2008, and 2009 in which the person was
19 doing business in the state. No taxpayer shall be entitled to nor
20 be allowed any refund of taxes paid upon intangible personal
21 property prior to the effective date of this act. Upon the
22 effective date of this act, there shall be no changes in the
23 valuation methodology of personal property, and the valuation
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1 methodology of personal property for the January 1, 2010, assessment
2 year shall be maintained and preserved.

3 H. A person is doing business in this state if any one of the
4 paragraphs in this subsection applies. The person:

5 1. Is domiciled in this state as an individual for business
6 purposes or is domiciled in this state for corporate, commercial or
7 other business purposes;

8 2. Owns or uses a part or all of its capital in this state;

9 3. Has at any time during the calendar year property in this
10 state with an aggregate value of at least Fifty Thousand Dollars
11 (\$50,000.00). For the purpose of this subsection, owned property is
12 valued at original cost and rented property is valued at eight times
13 the net annual rental charge;

14 4. Has during the calendar year payroll in this state of at
15 least Fifty Thousand Dollars (\$50,000.00). Payroll in this state
16 includes all of the following:

17 a. any amount subject to withholding by the person under
18 Section 2385.2 of ~~Title 68 of the Oklahoma Statutes~~
19 this title,

20 b. any other amount the person pays as compensation to an
21 individual under the supervision or control of the
22 person for work done in this state, and

23 c. any amount the person pays for services performed in
24 this state on its behalf by another;

1 5. Has during the calendar year sales in this state of at least
2 Five Hundred Thousand Dollars (\$500,000.00);

3 6. Has at any time during the calendar year within this state
4 at least twenty-five percent (25%) of the person's total property,
5 total payroll, or total sales; or

6 7. Otherwise has nexus with this state to an extent that the
7 person can be required to remit the tax imposed under this act under
8 the Constitution of the United States."

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