

05/17/2011 10:08:50 AM

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB1284

By: Dank of the House and Mazzei of the Senate

Title: Revenue and taxation; state tax credits; reports; revenue estimates; effective date;
emergency.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its Amendment No. 1 and that the attached conference committee substitute be adopted.

Respectfully submitted,

House Action _____ Date _____ Senate Action _____ Date _____

HOUSE CONFEREES

Armes Don J. Armes Sullivan

Billy ~~[Signature]~~ Walker

Blackwell _____

Brown Mike Brown

Cox Douglas G. Cox M.D.

Dank David M. Dank

DeWitt Hale DeWitt

Denney Lee Denney

Dorman _____

Hoskin _____

Liebmann Doug Lieberman

Martin (Scott) Scott C. Martin

McPeak Jerry McPeak

Peters _____

Sears Earl Sears

[Signature]

Fred D. Walker

HB1284 CCR A

SENATE CONFEREES

Ballenger _____
Branan _____
Brinkley *[Signature]* _____
Burrage _____
Crain *[Signature]* _____
Ford *[Signature]* _____
Halligan *[Signature]* _____
Ivester *[Signature]* _____
Jolley *[Signature]* _____
Justice *[Signature]* _____
Marlatt *[Signature]* _____
Mazzei *[Signature]* _____
Myers *[Signature]* _____
Newberry *[Signature]* _____
Nichols *[Signature]* _____
Paddack _____
Rice _____
Stanislawski *[Signature]* _____
Sykes _____
Wilson _____
Wyrick _____

House Action _____ Date _____ Senate Action _____ Date _____

House Action _____ Date _____ Senate Action _____ Date _____

1 STATE OF OKLAHOMA

2 1st Session of the 53rd Legislature (2011)

3 CONFERENCE COMMITTEE
4 SUBSTITUTE
5 FOR ENGROSSED
6 HOUSE BILL NO. 1284

By: Dank and Pittman of the
House

7 and

Mazzei of the Senate

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10 CONFERENCE COMMITTEE SUBSTITUTE

11 An Act relating to revenue and taxation; requiring
12 certain reports to the Oklahoma Tax Commission and
13 the State Insurance Department with respect to
14 certain state tax credits; requiring compilation of
15 report by Tax Commission and Insurance Department;
16 requiring submission of report; prescribing content
17 and format of report; requiring revenue estimate;
18 requiring Oklahoma Tax Commission or Insurance
19 Department to disallow tax credits for failure to
20 report pursuant to requirement; providing for
21 recomputation of tax liability; providing for penalty
22 and interest; providing for allowance of credits
23 based upon filing of report; excluding certain
24 credits from requirements; providing for
codification; providing an effective date; and
declaring an emergency.

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

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

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. Not later than
11 five (5) working days after the report has been provided to the
12 Governor, the Speaker of the Oklahoma House of Representatives and
13 the President Pro Tempore of the State Senate, the Oklahoma Tax
14 Commission shall publish the report on its website.

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

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

1 F. If a taxpayer claims a credit on any state tax return that
2 was not previously reported to the Tax Commission or Insurance
3 Department pursuant to this section, the Tax Commission or Insurance
4 Department shall disallow the credit and recompute the applicable
5 tax liability including any penalty or interest; provided, upon the
6 filing of the report required by this section, the credit shall be
7 allowed.

8 G. This section shall not be applicable to the following tax
9 credits:

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

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

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

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

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

20 6. The credit for property taxes paid on tornado damaged
21 residential property authorized by Section 2357.29 of Title 68 of
22 the Oklahoma Statutes.

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

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1 SECTION 3. It being immediately necessary for the preservation
2 of the public peace, health and safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

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