

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 53rd Legislature (2011)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1284

By: Dank of the House

and

Mazzei of the Senate

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9 COMMITTEE SUBSTITUTE

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

24 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, any tax credit
2 authorized pursuant to the provisions of Title 68 of the Oklahoma
3 Statutes, except as provided in this section, shall be reported to
4 the Oklahoma Tax Commission and any tax credit authorized pursuant
5 to the provisions of Title 36 of the Oklahoma Statutes shall be
6 reported to the Oklahoma Insurance Department as provided in
7 subsection B of this section.

8 B. The tax credit shall be reported to the Tax Commission or
9 Insurance Department on or before the twentieth day of the month
10 after the calendar quarter in which an act occurs which allows the
11 tax credit to eventually be claimed. The report to the Tax
12 Commission or to the Insurance Department shall be on such form as
13 the Commission or Department may prescribe, but shall include the
14 tax type, the amount of the credit, the statutory or other legal
15 authority which forms the basis for the credit, and other
16 information that may be required by the Tax Commission or the
17 Insurance Department. In the report due on or before January 20
18 each year, the report shall contain whether the credit will or may
19 be allocated by a pass-through entity to one or more of the
20 shareholders, partners or members of the pass-through entity, the
21 names of the shareholders, partners or members of the pass-through
22 entity to whom the credit was allocated, if the credit is
23 transferable, whether the credit will or may be transferred to

1 another taxpayer; and the names of the taxpayers to whom the credit
2 is transferred. The Tax Commission and the Insurance Department
3 shall be authorized to require the report to be filed
4 electronically.

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

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

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

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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.

6 G. This section shall not be applicable to the following tax
7 credits:

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

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

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

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

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

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

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

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

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4 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
5 03-03-2011 - DO PASS, As Amended and Coauthored.

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