

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 286

By: Anderson of the Senate

3 and

4 Sullivan of the House
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7 An Act relating to tax administration; amending 68
8 O.S. 2001, Section 113, as last amended by Section 1,
9 Chapter 434, O.S.L. 2009 (68 O.S. Supp. 2010, Section
10 113), which relates to Oklahoma Tax Commission
11 revolving funds; clarifying language; modifying type
12 of funds to be deposited in Tax Commission
13 Reimbursement Fund; deleting obsolete language;
14 creating Municipal Tax Enforcement Fund and providing
15 for types of funds deposited therein; requiring
16 establishment of specified accountability protocols
17 by certain parties; authorizing certain expenses to
18 be paid out of Fund; authorizing Tax Commission to
19 hire certain employees for specified purpose;
20 providing for support and termination of such
21 employees under certain circumstances; providing that
22 such employees are in unclassified service and not
23 subject to certain act; and providing an effective
24 date.

18 AMENDMENT NO. 1. Page 1, line 21 through page 5, line 2 delete
19 Section 1 and insert a new Section 1 to read as
20 follows:

20 "SECTION 1. AMENDATORY 68 O.S. 2001, Section 113, as
21 last amended by Section 1, Chapter 434, O.S.L. 2009 (68 O.S. Supp.
22 2010, Section 113), is amended to read as follows:

23 Section 113. A. There is hereby created in the State Treasury
24 a revolving fund for the Oklahoma Tax Commission to be known as the

1 "Tax Commission Reimbursement Fund". Said revolving fund shall
2 consist of ~~any funds~~;

3 1. Funds received by the Tax Commission for data processing
4 services or equipment rental ~~and any funds~~;

5 2. Funds received by the Tax Commission from any ~~incorporated~~
6 ~~city, town, or~~ county pursuant to a contractual agreement for the
7 augmentation of the enforcement and collection of municipal or
8 county taxes entered into pursuant to the provisions of ~~Sections~~
9 Section 1371 ~~or 2702~~ of this title. The Tax Commission is
10 authorized to hire full-time-equivalent employees as necessary to
11 perform such duties as to fulfill contractual agreements authorized
12 pursuant to ~~Sections~~ Section 1371 ~~and 2702~~ of this title, however,
13 such employees hired to perform such contractual duties shall be
14 supported solely by funds in the Tax Commission Reimbursement Fund
15 which are collected by the Tax Commission from ~~incorporated cities,~~
16 ~~towns, and~~ counties pursuant to such contractual agreements and such
17 employees shall be terminated upon the discontinuation of such funds
18 or inadequate funds to support such positions. Such full-time-
19 equivalent employees shall be in the unclassified service and shall
20 not be subject to any provisions of the Oklahoma Personnel Act or to
21 any of the rules or regulations promulgated by the Office of
22 Personnel Management except leave regulations. ~~All fees; and~~

23 3. Fees collected and apportioned to this fund under the
24 Oklahoma Vehicle License and Registration Act, ~~Section 1101 et seq.~~

1 ~~of Title 47 of the Oklahoma Statutes, which~~ may be used by the Motor
2 Vehicle Division of the Oklahoma Tax Commission to pay all costs
3 incurred in the issuance of certificates of title and inspection of
4 vehicles, including, but not limited to, additional computer costs
5 for the Tax Commission and motor license agents and the check
6 verification system authorized pursuant to the provisions of
7 paragraph 1 of subsection A of Section 1144 of Title 47 of the
8 Oklahoma Statutes or be used for capital expenditures as authorized
9 by the ~~Oklahoma State~~ Legislature. ~~For the fiscal year beginning~~
10 ~~July 1, 2004, disbursements from the fund shall be exempt from all~~
11 ~~agency budget limits.~~

12 B. Notwithstanding any other provision in the Oklahoma Statutes
13 except subsection F of Section 316 and subsection D of Section 418
14 of this title, beginning July 1, 2009, all revenue from fees and
15 penalties collected pursuant to Sections 304, 316, 415 and 418 of
16 this title shall be apportioned to the Tax Commission Reimbursement
17 Fund for administrative and data processing expenses incurred in
18 connection with electronic reporting requirements pursuant to the
19 provisions of Section 301 et seq., Section 346 et seq., Section 401
20 et seq. and Section 424 et seq. of this title.

21 C. There is hereby created in the State Treasury a revolving
22 fund for the Oklahoma Tax Commission to be known as the "Municipal
23 Tax Enforcement Fund". Said revolving fund shall consist of any
24 funds received or retained by the Tax Commission from any

1 incorporated city or town pursuant to a contractual agreement
2 entered into pursuant to the provisions of Section 2702 of this
3 title for the enforcement and collection of municipal sales or use
4 taxes. All funds deposited in the Oklahoma Tax Commission Revolving
5 Fund in the State Treasury for collection services to municipalities
6 shall be transferred to the Municipal Tax Enforcement Fund along
7 with accumulated interest. The Tax Commission and representatives
8 of a statewide nonprofit organization which supports the functions
9 of such municipalities and whose membership consists primarily of
10 municipalities organized under the laws of the State of Oklahoma,
11 shall mutually develop accountability methodologies for the
12 Municipal Tax Enforcement Fund. Expenses for developing,
13 implementing and updating such methodologies may be paid out of the
14 Municipal Tax Enforcement Fund.

15 In order to increase the cooperation of the Tax Commission and
16 the municipalities contracting with the Tax Commission for
17 collection and enforcement of a local sales tax and local use tax,
18 the Tax Commission shall conduct hearings pursuant to Section 212 of
19 this title in at least two locations in the state and in
20 consultation with the municipal representatives listed above shall:

21 1. Develop monthly reports that inform a contracting
22 municipality about enforcement of its sales and use tax ordinances;
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