

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 HOUSE BILL NO. 1454

6 By: Reynolds

7 COMMITTEE SUBSTITUTE

8 An Act relating to revenue and taxation; amending 68  
9 O.S. 2011, Section 2357.1A-2, as amended by Section  
10 546, Chapter 304, O.S.L. 2012 (68 O.S. Supp. 2012,  
11 Section 2357.1A-2), which relates to information  
12 regarding tax credits; modifying time period with  
13 respect to tax credits for which information and  
14 disclosure required; and declaring an emergency.

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

16 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2357.1A-2,  
17 as amended by Section 546, Chapter 304, O.S.L. 2012 (68 O.S. Supp.  
18 2012, Section 2357.1A-2), is amended to read as follows:

19 Section 2357.1A-2 A. Notwithstanding any other provision of  
20 law, the transfer or allocation of any tax credit authorized  
21 pursuant to the provisions of this title, except as provided in this  
22 section, shall be reported to the Oklahoma Tax Commission and any  
23 tax credit authorized pursuant to the provisions of Title 36 of the  
24 Oklahoma Statutes shall be reported to the Oklahoma Insurance  
Department as provided in subsection B of this section.

1 B. The transfer or allocation of any tax credit shall be  
2 reported to the Tax Commission or Insurance Department by the entity  
3 transferring or allocating the credit on or before the twentieth day  
4 of the second month after the tax year in which an act occurs which  
5 allows the tax credit to eventually be claimed. If the credit is  
6 transferable, the report shall state whether the credit will or may  
7 be transferred to another taxpayer and the names of the taxpayers to  
8 whom the credit is transferred. The report shall also provide  
9 whether the credit will or may be allocated by a pass-through entity  
10 to one or more of the shareholders, partners or members of the pass-  
11 through entity and the identity of the shareholders, partners or  
12 members of the pass-through entity to whom the credit was allocated.  
13 Further, the report shall include the tax type, the amount of the  
14 credit, the statutory or other legal authority which forms the basis  
15 for the credit, and other information that may be required by the  
16 Tax Commission or the Insurance Department. The report to the Tax  
17 Commission or to the Insurance Department shall be on such form as  
18 the Commission or Department may prescribe. The Tax Commission and  
19 the Insurance Department shall be authorized to require the report  
20 to be filed electronically. The provisions of this subsection shall  
21 be applicable to tax credits claimed or claimable for any period of  
22 time beginning on or after January 1, 2002.

23 C. Notwithstanding the provisions of Section 205 of ~~Title 68 of~~  
24 ~~the Oklahoma Statutes~~ this title the Tax Commission and the

1 Insurance Department shall compile a list of all tax credits  
2 reported as required by this section and shall provide the list to  
3 the Governor, the Speaker of the Oklahoma House of Representatives,  
4 the President Pro Tempore of the State Senate and the Director of  
5 the Office of Management and Enterprise Services not later than June  
6 1 of each year. Not later than five (5) working days after the  
7 report has been provided to the Governor, the Speaker of the  
8 Oklahoma House of Representatives and the President Pro Tempore of  
9 the State Senate, the Oklahoma Tax Commission shall publish the  
10 report on its website.

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 this title;

8 2. The low income property tax relief credit authorized by  
9 Section 2907 of this title;

10 3. The earned income tax credit authorized by Section 2357.43  
11 of this title;

12 4. The child care/child tax credit authorized by Section 2357  
13 of this title;

14 5. The credit for taxes paid to another state authorized by  
15 Section 2357 of this title; and

16 6. The credit for property taxes paid on tornado damaged  
17 residential property authorized by Section 2357.29 of this title.

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

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23 54-1-7454 LRB 02/28/13

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