

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                                   1st Session of the 54th Legislature (2013)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 1454

By: Reynolds

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8                                   COMMITTEE SUBSTITUTE

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

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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

1 Oklahoma Statutes shall be reported to the Oklahoma Insurance  
2 Department as provided in subsection B of this section.

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

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1 be applicable to tax credits claimed or claimable for any period of  
2 time beginning on or after January 1, 2002.

3 C. Notwithstanding the provisions of Section 205 of ~~Title 68 of~~  
4 ~~the Oklahoma Statutes~~ this title the Tax Commission and the  
5 Insurance Department shall compile a list of all tax credits  
6 reported as required by this section and shall provide the list to  
7 the Governor, the Speaker of the Oklahoma House of Representatives,  
8 the President Pro Tempore of the State Senate and the Director of  
9 the Office of Management and Enterprise Services not later than June  
10 1 of each year. Not later than five (5) working days after the  
11 report has been provided to the Governor, the Speaker of the  
12 Oklahoma House of Representatives and the President Pro Tempore of  
13 the State Senate, the Oklahoma Tax Commission shall publish the  
14 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  
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1 year by fiscal year basis. Each agency shall make its estimate only  
2 for tax credits under the jurisdiction of each administering agency.

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

10 G. This section shall not be applicable to the following tax  
11 credits:

12 1. The sales tax relief credit authorized by Section 5011 of  
13 this title;

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

16 3. The earned income tax credit authorized by Section 2357.43  
17 of this title;

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

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

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

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1           SECTION 2. 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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6 COMMITTEE REPORT BY: COMMITTEE ON GOVERNMENT MODERNIZATION, dated  
7 03/04/2013 - DO PASS, As Amended.

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