

1 STATE OF OKLAHOMA

2 2nd Session of the 54th Legislature (2014)

3 SENATE BILL 1849

By: Holt and Dahm

4
5
6 AS INTRODUCED

7 An Act relating to income tax; amending 68 O.S. 2011,
8 Section 2355, as amended by Section 2, Chapter 253,
9 O.S.L. 2013 (68 O.S. Supp. 2013, Section 2355), which
10 relates to imposition of tax; deleting expiration
11 date of specified tax rate levy; deleting tax rate
12 applicable to certain time periods under specified
13 circumstances; conforming references; amending 68
14 O.S. 2011, Section 2355, as last amended by Section 1
15 of this act, which relates to imposition of tax;
16 providing expiration date for specified tax rate
17 levy; modifying tax rate applicable to certain
18 amounts of taxable income during specified time
19 periods; conforming references; and providing an
20 effective date.

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

22 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2355, as
23 amended by Section 2, Chapter 253, O.S.L. 2013 (68 O.S. Supp. 2013,
24 Section 2355), is amended to read as follows:

Section 2355. A. Individuals. For all taxable years beginning
after December 31, 1998, and before January 1, 2006, a tax is hereby
imposed upon the Oklahoma taxable income of every resident or
nonresident individual, which tax shall be computed at the option of
the taxpayer under one of the two following methods:

- 1 (1) 1/2% tax on first \$2,000.00 or part thereof,
- 2 (2) 1% tax on next \$3,000.00 or part thereof,
- 3 (3) 2% tax on next \$2,500.00 or part thereof,
- 4 (4) 3% tax on next \$2,300.00 or part thereof,
- 5 (5) 4% tax on next \$2,400.00 or part thereof,
- 6 (6) 5% tax on next \$2,800.00 or part thereof,
- 7 (7) 6% tax on next \$6,000.00 or part thereof, and
- 8 (8) (a) for taxable years beginning after December
9 31, 1998, and before January 1, 2002, 6.75%
10 tax on the remainder,
11 (b) for taxable years beginning on or after
12 January 1, 2002, and before January 1, 2004,
13 7% tax on the remainder, and
14 (c) for taxable years beginning on or after
15 January 1, 2004, 6.65% tax on the remainder.

16 2. METHOD 2.

17 a. Single individuals and married individuals filing
18 separately deducting federal income tax:

- 19 (1) 1/2% tax on first \$1,000.00 or part thereof,
- 20 (2) 1% tax on next \$1,500.00 or part thereof,
- 21 (3) 2% tax on next \$1,250.00 or part thereof,
- 22 (4) 3% tax on next \$1,150.00 or part thereof,
- 23 (5) 4% tax on next \$1,200.00 or part thereof,
- 24 (6) 5% tax on next \$1,400.00 or part thereof,

- 1 (7) 6% tax on next \$1,500.00 or part thereof,
- 2 (8) 7% tax on next \$1,500.00 or part thereof,
- 3 (9) 8% tax on next \$2,000.00 or part thereof,
- 4 (10) 9% tax on next \$3,500.00 or part thereof, and
- 5 (11) 10% tax on the remainder.

6 b. Married individuals filing jointly and surviving
7 spouse to the extent and in the manner that a
8 surviving spouse is permitted to file a joint return
9 under the provisions of the Internal Revenue Code and
10 heads of households as defined in the Internal Revenue
11 Code deducting federal income tax:

- 12 (1) 1/2% tax on the first \$2,000.00 or part thereof,
- 13 (2) 1% tax on the next \$3,000.00 or part thereof,
- 14 (3) 2% tax on the next \$2,500.00 or part thereof,
- 15 (4) 3% tax on the next \$1,400.00 or part thereof,
- 16 (5) 4% tax on the next \$1,500.00 or part thereof,
- 17 (6) 5% tax on the next \$1,600.00 or part thereof,
- 18 (7) 6% tax on the next \$1,250.00 or part thereof,
- 19 (8) 7% tax on the next \$1,750.00 or part thereof,
- 20 (9) 8% tax on the next \$3,000.00 or part thereof,
- 21 (10) 9% tax on the next \$6,000.00 or part thereof, and
- 22 (11) 10% tax on the remainder.

23 B. Individuals. For all taxable years beginning on or after
24 January 1, 2008, ~~and ending not later than December 31, 2014,~~ a tax

1 is hereby imposed upon the Oklahoma taxable income of every resident
2 or nonresident individual, which tax shall be computed as follows:

3 1. Single individuals and married individuals filing
4 separately:

5 (a) 1/2% tax on first \$1,000.00 or part thereof,

6 (b) 1% tax on next \$1,500.00 or part thereof,

7 (c) 2% tax on next \$1,250.00 or part thereof,

8 (d) 3% tax on next \$1,150.00 or part thereof,

9 (e) 4% tax on next \$2,300.00 or part thereof,

10 (f) 5% tax on next \$1,500.00 or part thereof,

11 (g) 5.50% tax on the remainder for the 2008 tax year and

12 any subsequent tax year unless the rate prescribed by

13 subparagraph (h) of this paragraph is in effect, and

14 (h) 5.25% tax on the remainder for the 2009 and subsequent

15 tax years. The decrease in the top marginal

16 individual income tax rate otherwise authorized by

17 this subparagraph shall be contingent upon the

18 determination required to be made by the State Board

19 of Equalization pursuant to Section 2355.1A of this

20 title.

21 2. Married individuals filing jointly and surviving spouse to

22 the extent and in the manner that a surviving spouse is permitted to

23 file a joint return under the provisions of the Internal Revenue

24

1 Code and heads of households as defined in the Internal Revenue

2 Code:

3 (a) 1/2% tax on first \$2,000.00 or part thereof,

4 (b) 1% tax on next \$3,000.00 or part thereof,

5 (c) 2% tax on next \$2,500.00 or part thereof,

6 (d) 3% tax on next \$2,300.00 or part thereof,

7 (e) 4% tax on next \$2,400.00 or part thereof,

8 (f) 5% tax on next \$2,800.00 or part thereof,

9 (g) 5.50% tax on the remainder for the 2008 tax year and

10 any subsequent tax year unless the rate prescribed by

11 subparagraph (h) of this paragraph is in effect, and

12 (h) 5.25% tax on the remainder for the 2009 and subsequent

13 tax years. The decrease in the top marginal

14 individual income tax rate otherwise authorized by

15 this subparagraph shall be contingent upon the

16 determination required to be made by the State Board

17 of Equalization pursuant to Section 2355.1A of this

18 title.

19 ~~C. Individuals. For all taxable years beginning on or after~~

20 ~~January 1, 2015, a tax is hereby imposed upon the Oklahoma taxable~~

21 ~~income of every resident or nonresident individual, which tax shall~~

22 ~~be computed as follows:~~

23 ~~1. Single individuals and married individuals filing~~

24 ~~separately:~~

1 ~~(a) 1/2% tax on first \$1,000.00 or part thereof,~~
2 ~~(b) 1% tax on next \$1,500.00 or part thereof,~~
3 ~~(c) 2% tax on next \$1,250.00 or part thereof,~~
4 ~~(d) 3% tax on next \$1,150.00 or part thereof,~~
5 ~~(e) 4% tax on next \$2,300.00 or part thereof,~~
6 ~~(f) 5% tax on the remainder for the 2015 tax year and any~~
7 ~~subsequent tax year unless the rate prescribed by~~
8 ~~subparagraph (g) of this paragraph is in effect, and~~
9 ~~(g) 4.85% tax on the remainder for tax year 2016 and~~
10 ~~subsequent tax years. The decrease in the top~~
11 ~~marginal individual income tax rate otherwise~~
12 ~~authorized by this subparagraph shall be contingent~~
13 ~~upon the determination required to be made by the~~
14 ~~State Board of Equalization pursuant to Section 3 of~~
15 ~~this act.~~

16 ~~2. Married individuals filing jointly and surviving spouse to~~
17 ~~the extent and in the manner that a surviving spouse is permitted to~~
18 ~~file a joint return under the provisions of the Internal Revenue~~
19 ~~Code and heads of households as defined in the Internal Revenue~~
20 ~~Code:~~

21 ~~(a) 1/2% tax on first \$2,000.00 or part thereof,~~
22 ~~(b) 1% tax on next \$3,000.00 or part thereof,~~
23 ~~(c) 2% tax on next \$2,500.00 or part thereof,~~
24 ~~(d) 3% tax on next \$2,300.00 or part thereof,~~

1 ~~(e) 4% tax on next \$2,400.00 or part thereof,~~
2 ~~(f) 5% tax on the remainder for the 2015 tax year and any~~
3 ~~subsequent tax year unless the rate prescribed by~~
4 ~~subparagraph (g) of this paragraph is in effect, and~~
5 ~~(g) 4.85% tax on the remainder for tax year 2016 and~~
6 ~~subsequent tax years. The decrease in the top~~
7 ~~marginal individual income tax rate otherwise~~
8 ~~authorized by this subparagraph shall be contingent~~
9 ~~upon the determination required to be made by the~~
10 ~~State Board of Equalization pursuant to Section 3 of~~
11 ~~this act.~~

12 No deduction for federal income taxes paid shall be allowed to
13 any taxpayer to arrive at taxable income.

14 ~~D.~~ C. Nonresident aliens. In lieu of the rates set forth in
15 subsection A above, there shall be imposed on nonresident aliens, as
16 defined in the Internal Revenue Code, a tax of eight percent (8%)
17 instead of thirty percent (30%) as used in the Internal Revenue
18 Code, with respect to the Oklahoma taxable income of such
19 nonresident aliens as determined under the provision of the Oklahoma
20 Income Tax Act.

21 Every payer of amounts covered by this subsection shall deduct
22 and withhold from such amounts paid each payee an amount equal to
23 eight percent (8%) thereof. Every payer required to deduct and
24 withhold taxes under this subsection shall for each quarterly period

1 on or before the last day of the month following the close of each
2 such quarterly period, pay over the amount so withheld as taxes to
3 the Tax Commission, and shall file a return with each such payment.
4 Such return shall be in such form as the Tax Commission shall
5 prescribe. Every payer required under this subsection to deduct and
6 withhold a tax from a payee shall, as to the total amounts paid to
7 each payee during the calendar year, furnish to such payee, on or
8 before January 31, of the succeeding year, a written statement
9 showing the name of the payer, the name of the payee and the payee's
10 social security account number, if any, the total amount paid
11 subject to taxation, and the total amount deducted and withheld as
12 tax and such other information as the Tax Commission may require.
13 Any payer who fails to withhold or pay to the Tax Commission any
14 sums herein required to be withheld or paid shall be personally and
15 individually liable therefor to the State of Oklahoma.

16 ~~E.~~ D. Corporations. For all taxable years beginning after
17 December 31, 1989, a tax is hereby imposed upon the Oklahoma taxable
18 income of every corporation doing business within this state or
19 deriving income from sources within this state in an amount equal to
20 six percent (6%) thereof.

21 There shall be no additional Oklahoma income tax imposed on
22 accumulated taxable income or on undistributed personal holding
23 company income as those terms are defined in the Internal Revenue
24 Code.

1 ~~F.~~ E. Certain foreign corporations. In lieu of the tax imposed
2 in the first paragraph of subsection ~~D~~ C of this section, for all
3 taxable years beginning after December 31, 1989, there shall be
4 imposed on foreign corporations, as defined in the Internal Revenue
5 Code, a tax of six percent (6%) instead of thirty percent (30%) as
6 used in the Internal Revenue Code, where such income is received
7 from sources within Oklahoma, in accordance with the provisions of
8 the Internal Revenue Code and the Oklahoma Income Tax Act.

9 Every payer of amounts covered by this subsection shall deduct
10 and withhold from such amounts paid each payee an amount equal to
11 six percent (6%) thereof. Every payer required to deduct and
12 withhold taxes under this subsection shall for each quarterly period
13 on or before the last day of the month following the close of each
14 such quarterly period, pay over the amount so withheld as taxes to
15 the Tax Commission, and shall file a return with each such payment.
16 Such return shall be in such form as the Tax Commission shall
17 prescribe. Every payer required under this subsection to deduct and
18 withhold a tax from a payee shall, as to the total amounts paid to
19 each payee during the calendar year, furnish to such payee, on or
20 before January 31, of the succeeding year, a written statement
21 showing the name of the payer, the name of the payee and the payee's
22 social security account number, if any, the total amounts paid
23 subject to taxation, the total amount deducted and withheld as tax
24 and such other information as the Tax Commission may require. Any

1 payer who fails to withhold or pay to the Tax Commission any sums
2 herein required to be withheld or paid shall be personally and
3 individually liable therefor to the State of Oklahoma.

4 ~~G.~~ F. Fiduciaries. A tax is hereby imposed upon the Oklahoma
5 taxable income of every trust and estate at the same rates as are
6 provided in subsection B ~~or~~ E of this section for single
7 individuals. Fiduciaries are not allowed a deduction for any
8 federal income tax paid.

9 ~~H.~~ G. Tax rate tables. For all taxable years beginning after
10 December 31, 1991, in lieu of the tax imposed by subsection A, or B
11 ~~or~~ E of this section, as applicable there is hereby imposed for each
12 taxable year on the taxable income of every individual, whose
13 taxable income for such taxable year does not exceed the ceiling
14 amount, a tax determined under tables, applicable to such taxable
15 year which shall be prescribed by the Tax Commission and which shall
16 be in such form as it determines appropriate. In the table so
17 prescribed, the amounts of the tax shall be computed on the basis of
18 the rates prescribed by ~~subsection A, B or C~~ subsections A and B of
19 this section. For purposes of this subsection, the term "ceiling
20 amount" means, with respect to any taxpayer, the amount determined
21 by the Tax Commission for the tax rate category in which such
22 taxpayer falls.

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1 SECTION 2. AMENDATORY 68 O.S. 2011, Section 2355, as
2 last amended by Section 1 of this act, is amended to read as
3 follows:

4 Section 2355. A. Individuals. For all taxable years beginning
5 after December 31, 1998, and before January 1, 2006, a tax is hereby
6 imposed upon the Oklahoma taxable income of every resident or
7 nonresident individual, which tax shall be computed at the option of
8 the taxpayer under one of the two following methods:

9 1. METHOD 1.

10 a. Single individuals and married individuals filing
11 separately not deducting federal income tax:

12 (1) 1/2% tax on first \$1,000.00 or part thereof,

13 (2) 1% tax on next \$1,500.00 or part thereof,

14 (3) 2% tax on next \$1,250.00 or part thereof,

15 (4) 3% tax on next \$1,150.00 or part thereof,

16 (5) 4% tax on next \$1,300.00 or part thereof,

17 (6) 5% tax on next \$1,500.00 or part thereof,

18 (7) 6% tax on next \$2,300.00 or part thereof, and

19 (8) (a) for taxable years beginning after December
20 31, 1998, and before January 1, 2002, 6.75%
21 tax on the remainder,

22 (b) for taxable years beginning on or after
23 January 1, 2002, and before January 1, 2004,
24 7% tax on the remainder, and

1 (c) for taxable years beginning on or after
2 January 1, 2004, 6.65% tax on the remainder.

3 b. Married individuals filing jointly and surviving
4 spouse to the extent and in the manner that a
5 surviving spouse is permitted to file a joint return
6 under the provisions of the Internal Revenue Code and
7 heads of households as defined in the Internal Revenue
8 Code not deducting federal income tax:

9 (1) 1/2% tax on first \$2,000.00 or part thereof,

10 (2) 1% tax on next \$3,000.00 or part thereof,

11 (3) 2% tax on next \$2,500.00 or part thereof,

12 (4) 3% tax on next \$2,300.00 or part thereof,

13 (5) 4% tax on next \$2,400.00 or part thereof,

14 (6) 5% tax on next \$2,800.00 or part thereof,

15 (7) 6% tax on next \$6,000.00 or part thereof, and

16 (8) (a) for taxable years beginning after December

17 31, 1998, and before January 1, 2002, 6.75%

18 tax on the remainder,

19 (b) for taxable years beginning on or after

20 January 1, 2002, and before January 1, 2004,

21 7% tax on the remainder, and

22 (c) for taxable years beginning on or after

23 January 1, 2004, 6.65% tax on the remainder.

24 2. METHOD 2.

1 a. Single individuals and married individuals filing
2 separately deducting federal income tax:

3 (1) 1/2% tax on first \$1,000.00 or part thereof,

4 (2) 1% tax on next \$1,500.00 or part thereof,

5 (3) 2% tax on next \$1,250.00 or part thereof,

6 (4) 3% tax on next \$1,150.00 or part thereof,

7 (5) 4% tax on next \$1,200.00 or part thereof,

8 (6) 5% tax on next \$1,400.00 or part thereof,

9 (7) 6% tax on next \$1,500.00 or part thereof,

10 (8) 7% tax on next \$1,500.00 or part thereof,

11 (9) 8% tax on next \$2,000.00 or part thereof,

12 (10) 9% tax on next \$3,500.00 or part thereof, and

13 (11) 10% tax on the remainder.

14 b. Married individuals filing jointly and surviving

15 spouse to the extent and in the manner that a

16 surviving spouse is permitted to file a joint return

17 under the provisions of the Internal Revenue Code and

18 heads of households as defined in the Internal Revenue

19 Code deducting federal income tax:

20 (1) 1/2% tax on the first \$2,000.00 or part thereof,

21 (2) 1% tax on the next \$3,000.00 or part thereof,

22 (3) 2% tax on the next \$2,500.00 or part thereof,

23 (4) 3% tax on the next \$1,400.00 or part thereof,

24 (5) 4% tax on the next \$1,500.00 or part thereof,

- 1 (6) 5% tax on the next \$1,600.00 or part thereof,
- 2 (7) 6% tax on the next \$1,250.00 or part thereof,
- 3 (8) 7% tax on the next \$1,750.00 or part thereof,
- 4 (9) 8% tax on the next \$3,000.00 or part thereof,
- 5 (10) 9% tax on the next \$6,000.00 or part thereof, and
- 6 (11) 10% tax on the remainder.

7 B. Individuals. For all taxable years beginning on or after
8 January 1, 2008, and ending not later than December 31, 2014, a tax
9 is hereby imposed upon the Oklahoma taxable income of every resident
10 or nonresident individual, which tax shall be computed as follows:

11 1. Single individuals and married individuals filing
12 separately:

- 13 (a) 1/2% tax on first \$1,000.00 or part thereof,
- 14 (b) 1% tax on next \$1,500.00 or part thereof,
- 15 (c) 2% tax on next \$1,250.00 or part thereof,
- 16 (d) 3% tax on next \$1,150.00 or part thereof,
- 17 (e) 4% tax on next \$2,300.00 or part thereof,
- 18 (f) 5% tax on next \$1,500.00 or part thereof,
- 19 (g) 5.50% tax on the remainder for the 2008 tax year and
20 any subsequent tax year unless the rate prescribed by
21 subparagraph (h) of this paragraph is in effect, and
- 22 (h) 5.25% tax on the remainder for the 2009 and subsequent
23 tax years. The decrease in the top marginal
24 individual income tax rate otherwise authorized by

1 this subparagraph shall be contingent upon the
2 determination required to be made by the State Board
3 of Equalization pursuant to Section 2355.1A of this
4 title.

5 2. Married individuals filing jointly and surviving spouse to
6 the extent and in the manner that a surviving spouse is permitted to
7 file a joint return under the provisions of the Internal Revenue
8 Code and heads of households as defined in the Internal Revenue
9 Code:

- 10 (a) 1/2% tax on first \$2,000.00 or part thereof,
- 11 (b) 1% tax on next \$3,000.00 or part thereof,
- 12 (c) 2% tax on next \$2,500.00 or part thereof,
- 13 (d) 3% tax on next \$2,300.00 or part thereof,
- 14 (e) 4% tax on next \$2,400.00 or part thereof,
- 15 (f) 5% tax on next \$2,800.00 or part thereof,
- 16 (g) 5.50% tax on the remainder for the 2008 tax year and
17 any subsequent tax year unless the rate prescribed by
18 subparagraph (h) of this paragraph is in effect, and
- 19 (h) 5.25% tax on the remainder for the 2009 and subsequent
20 tax years. The decrease in the top marginal
21 individual income tax rate otherwise authorized by
22 this subparagraph shall be contingent upon the
23 determination required to be made by the State Board
24

1 of Equalization pursuant to Section 2355.1A of this
2 title.

3 C. Individuals. For all taxable years beginning on or after
4 January 1, 2015, a tax is hereby imposed upon the Oklahoma taxable
5 income of every resident or nonresident individual, which tax shall
6 be computed as follows:

7 1. Single individuals and married individuals filing
8 separately:

9 (a) 1/2% tax on first \$1,000.00 or part thereof,

10 (b) 1% tax on next \$1,500.00 or part thereof,

11 (c) 2% tax on next \$1,250.00 or part thereof,

12 (d) 3% tax on next \$1,150.00 or part thereof,

13 (e) 4% tax on next \$2,300.00 or part thereof through tax
14 year 2017,

15 (f) 4.75% tax on the remainder for the 2015 tax year,

16 (g) 4.5% tax on the remainder for the 2016 tax year,

17 (h) 4.25% tax on the remainder for the 2017 tax year,

18 (i) 4% tax on all amounts not subject to the rate

19 prescribed in subdivisions (a) through (d) of this
20 subparagraph beginning for tax year 2018 and all
21 subsequent tax years.

22 2. Married individuals filing jointly and surviving spouse to
23 the extent and in the manner that a surviving spouse is permitted to
24 file a joint return under the provisions of the Internal Revenue

1 Code and heads of households as defined in the Internal Revenue

2 Code:

3 (a) 1/2% tax on first \$2,000.00 or part thereof,

4 (b) 1% tax on next \$3,000.00 or part thereof,

5 (c) 2% tax on next \$2,500.00 or part thereof,

6 (d) 3% tax on next \$2,300.00 or part thereof,

7 (e) 4% tax on next \$2,300.00 or part thereof through tax

8 year 2017,

9 (f) 4.75% tax on the remainder for the 2015 tax year,

10 (g) 4.5% tax on the remainder for the 2016 tax year,

11 (h) 4.25% tax on the remainder for the 2017 tax year,

12 (i) 4% tax on all amounts not subject to the rate

13 prescribed in subdivisions (a) through (d) of this

14 subparagraph beginning for tax year 2018 and all

15 subsequent tax years.

16 No deduction for federal income taxes paid shall be allowed to
17 any taxpayer to arrive at taxable income.

18 ~~C.~~ D. Nonresident aliens. In lieu of the rates set forth in
19 subsection A above, there shall be imposed on nonresident aliens, as
20 defined in the Internal Revenue Code, a tax of eight percent (8%)
21 instead of thirty percent (30%) as used in the Internal Revenue
22 Code, with respect to the Oklahoma taxable income of such
23 nonresident aliens as determined under the provision of the Oklahoma
24 Income Tax Act.

1 Every payer of amounts covered by this subsection shall deduct
2 and withhold from such amounts paid each payee an amount equal to
3 eight percent (8%) thereof. Every payer required to deduct and
4 withhold taxes under this subsection shall for each quarterly period
5 on or before the last day of the month following the close of each
6 such quarterly period, pay over the amount so withheld as taxes to
7 the Tax Commission, and shall file a return with each such payment.
8 Such return shall be in such form as the Tax Commission shall
9 prescribe. Every payer required under this subsection to deduct and
10 withhold a tax from a payee shall, as to the total amounts paid to
11 each payee during the calendar year, furnish to such payee, on or
12 before January 31, of the succeeding year, a written statement
13 showing the name of the payer, the name of the payee and the payee's
14 social security account number, if any, the total amount paid
15 subject to taxation, and the total amount deducted and withheld as
16 tax and such other information as the Tax Commission may require.
17 Any payer who fails to withhold or pay to the Tax Commission any
18 sums herein required to be withheld or paid shall be personally and
19 individually liable therefor to the State of Oklahoma.

20 ~~D.~~ E. Corporations. For all taxable years beginning after
21 December 31, 1989, a tax is hereby imposed upon the Oklahoma taxable
22 income of every corporation doing business within this state or
23 deriving income from sources within this state in an amount equal to
24 six percent (6%) thereof.

1 There shall be no additional Oklahoma income tax imposed on
2 accumulated taxable income or on undistributed personal holding
3 company income as those terms are defined in the Internal Revenue
4 Code.

5 ~~E.~~ F. Certain foreign corporations. In lieu of the tax imposed
6 in the first paragraph of subsection ~~E~~ D of this section, for all
7 taxable years beginning after December 31, 1989, there shall be
8 imposed on foreign corporations, as defined in the Internal Revenue
9 Code, a tax of six percent (6%) instead of thirty percent (30%) as
10 used in the Internal Revenue Code, where such income is received
11 from sources within Oklahoma, in accordance with the provisions of
12 the Internal Revenue Code and the Oklahoma Income Tax Act.

13 Every payer of amounts covered by this subsection shall deduct
14 and withhold from such amounts paid each payee an amount equal to
15 six percent (6%) thereof. Every payer required to deduct and
16 withhold taxes under this subsection shall for each quarterly period
17 on or before the last day of the month following the close of each
18 such quarterly period, pay over the amount so withheld as taxes to
19 the Tax Commission, and shall file a return with each such payment.
20 Such return shall be in such form as the Tax Commission shall
21 prescribe. Every payer required under this subsection to deduct and
22 withhold a tax from a payee shall, as to the total amounts paid to
23 each payee during the calendar year, furnish to such payee, on or
24 before January 31, of the succeeding year, a written statement

1 showing the name of the payer, the name of the payee and the payee's
2 social security account number, if any, the total amounts paid
3 subject to taxation, the total amount deducted and withheld as tax
4 and such other information as the Tax Commission may require. Any
5 payer who fails to withhold or pay to the Tax Commission any sums
6 herein required to be withheld or paid shall be personally and
7 individually liable therefor to the State of Oklahoma.

8 ~~F.~~ G. Fiduciaries. A tax is hereby imposed upon the Oklahoma
9 taxable income of every trust and estate at the same rates as are
10 provided in subsection B or C of this section for single
11 individuals. Fiduciaries are not allowed a deduction for any
12 federal income tax paid.

13 ~~G.~~ H. Tax rate tables. For all taxable years beginning after
14 December 31, 1991, in lieu of the tax imposed by subsection A ~~or~~ B
15 or C of this section, as applicable there is hereby imposed for each
16 taxable year on the taxable income of every individual, whose
17 taxable income for such taxable year does not exceed the ceiling
18 amount, a tax determined under tables, applicable to such taxable
19 year which shall be prescribed by the Tax Commission and which shall
20 be in such form as it determines appropriate. In the table so
21 prescribed, the amounts of the tax shall be computed on the basis of
22 the rates prescribed by ~~subsections~~ subsection A ~~and~~, B or C of this
23 section. For purposes of this subsection, the term "ceiling amount"
24 means, with respect to any taxpayer, the amount determined by the

1 Tax Commission for the tax rate category in which such taxpayer
2 falls.

3 SECTION 3. This act shall become effective January 1, 2015.

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