

STATE OF OKLAHOMA

2nd Session of the 55th Legislature (2016)

SENATE BILL 918

By: Mazzei and Quinn

AS INTRODUCED

An Act relating to income tax; amending 68 O.S. 2011, Section 5011, which relates to credit for sales tax paid; deleting obsolete language; providing exception; modifying time period during which certain credits are allowed and providing condition thereto; and providing effective date.

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

SECTION 1. AMENDATORY 68 O.S. 2011, Section 5011, is amended to read as follows:

Section 5011. A. ~~Except as otherwise provided by this section, beginning with the calendar year 1990 and for each calendar year through 1998, and for calendar year 2003, any individual who is a resident of and is domiciled in this state during the entire calendar year for which the filing is made and whose gross household income for such year does not exceed Twelve Thousand Dollars (\$12,000.00) may file a claim for sales tax relief.~~

B. ~~For calendar years 1999, 2002 and 2004, any individual who is a resident of and is domiciled in this state during the entire calendar year for which the filing is made may file a claim for~~

1 ~~sales tax relief if the gross household income for such year does~~
2 ~~not exceed the following amounts:~~

3 1. ~~For an individual not subject to the provisions of paragraph~~
4 ~~2 of this subsection and claiming no allowable personal exemption~~
5 ~~other than the allowable personal exemption for that individual or~~
6 ~~the spouse of that individual, Fifteen Thousand Dollars~~
7 ~~(\$15,000.00); or~~

8 2. ~~For an individual claiming one or more allowable personal~~
9 ~~exemptions other than the allowable personal exemption for that~~
10 ~~individual or the spouse of that individual, an individual with a~~
11 ~~physical disability constituting a substantial handicap to~~
12 ~~employment, or an individual who is sixty-five (65) years of age or~~
13 ~~older at the close of the tax year, Thirty Thousand Dollars~~
14 ~~(\$30,000.00).~~

15 C. ~~For calendar years 2000, 2001, 2005 and following~~ Except as
16 provided in subsection F of this section, an individual who is a
17 resident of and is domiciled in this state during the entire
18 calendar year for which the filing is made may file a claim for
19 sales tax relief if the gross household income for such year does
20 not exceed the following amounts:

21 1. For an individual not subject to the provisions of paragraph
22 2 of this subsection and claiming no allowable personal exemption
23 other than the allowable personal exemption for that individual or
24

1 the spouse of that individual, Twenty Thousand Dollars (\$20,000.00);
2 or

3 2. For an individual claiming one or more allowable personal
4 exemptions other than the allowable personal exemption for that
5 individual or the spouse of that individual, an individual with a
6 physical disability constituting a substantial handicap to
7 employment, or an individual who is sixty-five (65) years of age or
8 older at the close of the tax year, Fifty Thousand Dollars
9 (\$50,000.00).

10 D B. The amount of the claim filed pursuant to the Sales Tax
11 Relief Act shall be Forty Dollars (\$40.00) multiplied by the number
12 of allowable personal exemptions. As used in the Sales Tax Relief
13 Act, "allowable personal exemption" means a personal exemption to
14 which the taxpayer would be entitled pursuant to the provisions of
15 the Oklahoma Income Tax Act, except for:

16 1. The exemptions such taxpayer would be entitled to pursuant
17 to Section 2358 of this title if such taxpayer or spouse is blind or
18 sixty-five (65) years of age or older at the close of the tax year;

19 2. An exemption for a person convicted of a felony if during
20 all or any part of the calendar year for which the claim is filed
21 such person was an inmate in the custody of the Department of
22 Corrections; or

1 3. An exemption for a person if during all or any part of the
2 calendar year for which the claim is filed such person resided
3 outside of this state.

4 B C. A person convicted of a felony shall not be permitted to
5 file a claim for sales tax relief pursuant to the provisions of
6 Sections 5010 through 5016 of this title for the period of time
7 during which the person is an inmate in the custody of the
8 Department of Corrections. Such period of time shall include the
9 entire calendar year if the person is in the custody of the
10 Department of Corrections during any part of the calendar year. The
11 provisions of this subsection shall not prohibit all other members
12 of the household of an inmate from filing a claim based upon the
13 personal exemptions to which the household members would be entitled
14 pursuant to the provisions of the Oklahoma Income Tax Act.

15 B D. The Department of Corrections shall withhold up to fifty
16 percent (50%) of any money inmates receive for claims made pursuant
17 to the Sales Tax Relief Act prior to September 1, 1991, for costs of
18 incarceration.

19 B E. For purposes of Section 139.105 of Title 17 of the
20 Oklahoma Statutes, the gross household income of any individual who
21 may file a claim for sales tax relief shall not exceed Twelve
22 Thousand Dollars (\$12,000.00).

23 F. No credit shall be allowed pursuant to this section for
24 taxable years beginning on or after January 1, 2018, unless this

1 section is reauthorized by the Oklahoma Legislature after evaluation
2 by the Incentive Evaluation Commission pursuant to Section 7004 of
3 Title 62 of the Oklahoma Statutes.

4 SECTION 2. This act shall become effective November 1, 2016.

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