

1 ENGROSSED HOUSE  
2 BILL NO. 2357

By: Osborn (Leslie) and Wallace  
of the House

3 and

4 David and Fields of the  
5 Senate

6  
7 An Act relating to revenue and taxation; amending 68  
8 O.S. 2011, Section 1212, which relates to franchise  
9 tax procedures; modifying reinstatement fee amount  
for suspension of certain rights; providing an  
effective date; and declaring an emergency.

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

13 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1212, is  
14 amended to read as follows:

15 Section 1212. A. If the report required pursuant to the  
16 provisions of Section 1210 of this title is not filed and the tax  
17 levied pursuant to the provisions of Section 1203, 1204 or 1205 of  
18 this title is not paid within the time provided under subsection C  
19 of Section 1208 of this title, the Oklahoma Tax Commission shall  
20 levy and collect a penalty for such delinquency in the amount of ten  
21 percent (10%) of the tax due. Such penalty shall be collected and  
22 apportioned in the same manner as is the tax itself. In such event,  
23 or if a form is not filed, as required by subsection D of Section  
24 1210 of this title by a corporation, association or organization

1 exempt from the tax pursuant to subsection B of Section 1205 of this  
2 title, the Tax Commission may enter an order directing the  
3 suspension of the charter or other instrument of organization, under  
4 which the corporation, association or organization may be organized,  
5 and the forfeiture of all corporate or other rights inuring  
6 thereunder. However, no such order of the Tax Commission shall be  
7 issued nor effective as to any corporation, association or  
8 organization the charter or certificate of authority of which is  
9 issued by the State Banking Board or State Banking Commissioner  
10 rather than the Secretary of State and the Tax Commission shall only  
11 notify the registered agents or managing officer of the corporation,  
12 association, or organization and shall notify the State Banking  
13 Board or State Banking Commissioner of the amount of unpaid tax.  
14 The Commissioner shall require the payment of such tax, plus  
15 interest and penalty, if any, within a reasonable time.

16 B. Any person who attempts or purports to exercise any of the  
17 rights, privileges or powers of any such domestic corporation,  
18 association or organization, or who does or attempts to do any  
19 business in the state in behalf of any such foreign corporation,  
20 association or organization, without having first obtained a license  
21 therefor, as provided herein, or after any such license so obtained  
22 shall have been canceled, forfeited, or expired, shall be guilty of  
23 a misdemeanor.  
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1 C. Each trustee, director or officer of any such corporation,  
2 association or organization, whose right to do business within this  
3 state shall be so forfeited, shall, as to any and all debts of such  
4 corporation, association or organization, which may be created or  
5 incurred with his or her knowledge, approval and consent, within  
6 this state after such forfeiture and before the reinstatement of the  
7 right of such corporation to do business, be deemed and held liable  
8 thereon in the same manner and to the same extent as if such  
9 trustees, directors, and officers of such corporation, association  
10 or organization were partners. Any corporation, association or  
11 organization whose right to do business shall be thus forfeited  
12 shall be denied the right to sue or defend in any court of this  
13 state, except in a suit to forfeit the charter of such corporation,  
14 association or organization. In any suit against such corporation,  
15 association or organization on a cause of action arising before such  
16 forfeiture, no affirmative relief shall be granted to such  
17 corporation, association or organization unless its right to do  
18 business in this state shall be reinstated as provided herein.  
19 Every contract entered into by or in behalf of such corporation,  
20 association or organization, after such forfeiture as provided  
21 herein, is hereby declared to be voidable.

22 D. Notice of such suspension and forfeiture shall be forwarded  
23 by certified mail, return receipt requested, to the last-known  
24 address of the registered agent or managing officer of each

1 corporation, association or organization, and the Tax Commission may  
2 cause notice of such suspension and forfeiture to be published in a  
3 newspaper of general circulation in the county in which the general  
4 business office of each such corporation, association or  
5 organization is located in this state.

6 E. The Tax Commission, shall immediately upon entering an order  
7 suspending and forfeiting any such charter or other instrument of  
8 organization, transmit the name of each such corporation,  
9 association or organization named therein to the Secretary of State  
10 or the county clerk of the county in which the instrument under  
11 which it may be organized is filed, and the Secretary of State or  
12 county clerk, as the case may be, shall immediately record the same  
13 and such record shall constitute notice to the public. The  
14 suspension and forfeiture herein provided for shall become effective  
15 immediately upon such record being made and the certificate of the  
16 Secretary of State or the county clerk shall be prima facie evidence  
17 of such suspension and forfeiture.

18 F. After the issuance of such order of suspension and  
19 forfeiture by the Tax Commission, the charter or other instrument of  
20 organization may only be revived and reinstated upon the payment of  
21 the accrued fees and penalties and a reinstatement fee in the amount  
22 of ~~Fifteen Dollars (\$15.00)~~ One Hundred Fifty Dollars (\$150.00), and  
23 a showing by the corporation, association or organization of a full  
24 compliance with the laws of this state. Such payment of accrued

1 fees and penalties must be made prior to the expiration of the time  
2 provided in such charter or other instrument of organization for the  
3 life of such corporation, association or organization.

4 SECTION 2. This act shall become effective July 1, 2017.

5 SECTION 3. It being immediately necessary for the preservation  
6 of the public peace, health or safety, an emergency is hereby  
7 declared to exist, by reason whereof this act shall take effect and  
8 be in full force from and after its passage and approval.

9 Passed the House of Representatives the 2nd day of May, 2017.

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12 Presiding Officer of the House  
of Representatives

13 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2017.

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16 Presiding Officer of the Senate  
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