HOUSE OF REPRESENTATIVES - FLOOR VERSION

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2356 By: Osborn (Leslie) and Wallace of the House

and

David and Fields of the Senate

COMMITTEE SUBSTITUTE

An Act relating to revenue and taxation; amending 68 O.S. 2011, Sections 1208, as amended by Section 1, Chapter 306, O.S.L. 2014 and 1210 (68 O.S. Supp. 2016, Section 1208), which relate to franchise tax payments and reporting; modifying due date; modifying delinquency date; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 2011, Section 1208, as amended by Section 1, Chapter 306, O.S.L. 2014 (68 O.S. Supp. 2016, Section 1208), is amended to read as follows:

Section 1208. A. It is hereby declared to be the purpose of Section 1201 et seq. of this title to provide for revenue for general governmental functions of the State of Oklahoma.

B. All monies collected under Section 1201 et seq. of this title shall be transmitted monthly to the State Treasurer of the State of Oklahoma to be placed to the credit of the General Revenue Fund of the state, to be paid out only pursuant to direct appropriations of the Legislature.

C. ~~The~~ Except as otherwise provided by subsection D of this section, the tax levied by Section 1201 et seq. of this title shall become due and payable on July 1 of each year or at the option of the taxpayer upon the last day of the income tax year of the taxpayer, and if not paid on or before the next ensuing September 15 for taxpayers electing to pay tax by July 1, or the date by which an income tax return is required to be filed pursuant to the provisions of subsection G of Section 2368 of this title or pursuant to the provisions of Section 216 of this title, for taxpayers electing to pay the tax at the time such income tax return is due, the penalties hereinafter provided shall apply.

D. For those taxpayers that remitted the maximum amount of tax pursuant to Section 1205 of this title for the preceding tax year, the tax levied by Section 1201 et seq. of this title shall become due and payable on May 1 of each year, and if not paid on or before the ensuing June 1, the penalties hereinafter provided shall apply.

SECTION 2. AMENDATORY 68 O.S. 2011, Section 1210, is amended to read as follows:

Section 1210. A. In addition to any other statement required by law, each and every corporation, association or organization, as enumerated in Sections 1201, 1203, and 1204 of this title, subject to the provisions of Section 1201 et seq. of this title, either during the period of July 1 to August 31, inclusive, of each year, or not later than June 1 for taxpayers that remitted the maximum amount of tax pursuant to Section 1205 of this title for the preceding tax year, or, except for taxpayers that remitted the maximum amount of tax pursuant to Section 1205 of this title for the preceding tax year, on or before the date by which an income tax return is required to be filed pursuant to the provisions of subsection G of Section 2368 of this title or pursuant to the provisions of Section 216 of this title, based upon the election by the taxpayer regarding the due date for payment of tax, shall file with the Oklahoma Tax Commission a statement under oath of its president, secretary or managing officer, or managing agent in this state. The statement shall be in such form as the Tax Commission shall prescribe, including balance sheets as at the close of its last preceding taxable year for which an income tax return was required to be filed, showing the following:

1. The amount of its authorized capital stock, interests, certificates, or other evidence of interest or ownership;

2. The amount thereof then paid up;

3. The number of units into which the same is divided;

4. The par value of each unit and the number of such units issued and outstanding;

5. The location of the office or offices;

6. The value of all property owned or used in its business and wherever located;

7. The value of all property owned or used in its business within this state as it existed on the last day of the tax year;

8. The total amount of all business wherever transacted during the tax year;

9. The total amount of business transacted within the State of Oklahoma during such year; and

10. The names of its officers and the residence and post office address of each as the same appear of record on the last day of the tax year, based upon the election by the taxpayer regarding the due date for payment of tax.

B. If any corporation, association or organization making a return under the provisions of Section 1201 et seq. of this title has no authorized capital, or if any of its shares of stock or other evidences of interest or ownership have no par value, then such corporation, association or organization shall so state in its return, and shall, in addition thereto, state the book value of its shares of stock or other evidences of interest or ownership. It shall also, in making its return, make the showing required of all other corporations, associations and organizations, and each foreign corporation shall state the name of its registered agent residing at the capital of the state. The return shall be in such form as the Tax Commission shall prescribe.

C. A corporation or organization subject to the tax levied by Section 1203 or Section 1204 of this title for which the computation of capital employed in the state equals or exceeds Sixteen Million Dollars ($16,000,000.00), shall file a maximum franchise tax return on such form as may be prescribed by the Oklahoma Tax Commission.

D. The Tax Commission shall prescribe a form for use by corporations or organizations subject to the maximum tax imposed by Section 1205 of this title in order for such corporations or organizations to determine if the value of capital employed in this state requires filing a maximum franchise tax return. The Tax Commission shall also prescribe a form for use by corporations or organizations exempt from the tax imposed by Sections 1203 and 1204 of this title pursuant to Section 1205 of this title. Such form shall include the names of the officers of the corporation or organization and the residence and post office address of each as the same appears of record on the last day of the tax year and a statement attesting that no tax is due for the taxable period. If a corporation or organization is required to file the maximum franchise tax return or is exempt from the tax imposed by Sections 1203 and 1204 of this title pursuant to Section 1205 of this title, such return shall not be subject to the requirements of subsection A of this section and the return shall only contain such information as may be prescribed by the Commission. The return shall be in such form as the Tax Commission shall prescribe.

SECTION 3. This act shall become effective November 1, 2017.

COMMITTEE REPORT BY: COMMITTEE ON JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET, dated 05/08/2017 - DO PASS, As Amended.