

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 HOUSE BILL 1423

By: Lepak

4
5 AS INTRODUCED

6 An Act relating to revenue and taxation; amending 68
7 O.S. 2011, Section 2368.2, which relates to income
8 tax donation standards; providing exemption from
9 certain standard for donations to certain fund;
10 amending 68 O.S. 2011, Section 2368.19, as amended by
11 Section 559, Chapter 304, O.S.L. 2012 (68 O.S. Supp.
2016, Section 2368.19), which relates to income tax
12 donations to the Folds of Honor Scholarship Program;
13 reauthorizing such donations; and providing an
14 effective date.

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

16 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2368.2, is
17 amended to read as follows:

18 Section 2368.2 ~~if~~ A. Except as exempted in subsection B of
19 this section, if on September 1 of any year, the total contributions
20 to any one of the funds created through donations or contributions
21 from income tax refunds by checking the appropriate box on the
22 income tax return forms do not equal Fifteen Thousand Dollars
23 (\$15,000.00) or more for three (3) consecutive years, the
24 explanations and spaces for designating contributions to the fund
shall be removed from the income tax return forms for the following

1 and all subsequent years. All contributions to the removed fund
2 after September 1 shall be refunded to the taxpayer.

3 B. The provisions of this section shall not apply to the Income
4 Tax Checkoff Revolving Fund for the Support of the Folds of Honor
5 Scholarship Program authorized in Section 2368.19 of this title.

6 SECTION 2. AMENDATORY 68 O.S. 2011, Section 2368.19, as
7 amended by Section 559, Chapter 304, O.S.L. 2012 (68 O.S. Supp.
8 2016, Section 2368.19), is amended to read as follows:

9 Section 2368.19 A. Each state individual income tax return
10 form for tax years which begin after December 31, 2009, and each
11 state corporate tax return form for tax years beginning after
12 December 31, 2009, shall contain a provision to allow a donation
13 from a tax refund for the purpose of providing academic and
14 vocational training scholarships administered through the Folds of
15 Honor Scholarship Program to dependents of military servicemen and
16 servicewomen who were either killed or wounded in action due to
17 military service in the war in Iraq or Afghanistan where such
18 program is administered through Folds of Honor Incorporated, a
19 nonprofit charitable organization exempt from taxation pursuant to
20 the provisions of the Internal Revenue Code, 26 U.S.C., Section
21 501(c)(3). The provision to allow donation shall read as follows:

22 Support of Folds of Honor Scholarship Program, a nonprofit
23 charitable organization providing academic and vocational training
24 scholarships to dependents of military servicemen and servicewomen

1 who were either killed or wounded in action due to military service
2 in the war in Iraq or Afghanistan. Check if you wish to donate from
3 your tax refund: () \$2, () \$5, or () \$____.

4 B. Except as otherwise provided for in this section, all monies
5 generated pursuant to subsection A of this section shall be paid to
6 the State Treasurer by the Oklahoma Tax Commission and placed to the
7 credit of the Income Tax Checkoff Revolving Fund for the Support of
8 the Folds of Honor Scholarship Program created in subsection C of
9 this section.

10 C. There is hereby created in the State Treasury a revolving
11 fund for the Military Department of the State of Oklahoma to be
12 designated the "Income Tax Checkoff Revolving Fund for the Support
13 of the Folds of Honor Scholarship Program". The fund shall be a
14 continuing fund, not subject to fiscal year limitations, and shall
15 consist of all monies apportioned to the fund pursuant to the
16 provisions of this section. All monies accruing to the credit of
17 the fund are hereby appropriated and may be budgeted and expended by
18 the Military Department for the purpose of providing grants for
19 academic and vocational training scholarships administered through
20 the Folds of Honor Scholarship Program. Such monies shall be
21 apportioned as and in a manner specified by the Military Department.
22 Expenditures from the fund shall be made upon warrants issued by the
23 State Treasurer against claims filed as prescribed by law with the
24

1 Director of the Office of Management and Enterprise Services for
2 approval and payment.

3 D. If a taxpayer makes a donation pursuant to subsection A of
4 this section in error, such taxpayer may file a claim for refund at
5 any time within three (3) years from the due date of the tax return.
6 Such claims shall be filed pursuant to the provisions of Section
7 2373 of this title. Prior to the apportionment set forth in this
8 section, an amount equal to the total amount of refunds made
9 pursuant to this subsection during any one (1) year shall be
10 deducted from the total donations received pursuant to this section
11 during the following year and such amount deducted shall be paid to
12 the State Treasurer and placed to the credit of the Income Tax
13 Withholding Refund Account.

14 E. Pursuant to Section 2368.18 of this title, the income tax
15 checkoff contained in this section is hereby reauthorized effective
16 January 1, 2017.

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

18
19 56-1-5181 JM 11/30/16
20
21
22
23
24