

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

4/27/2017 7:27:41 PM

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

HB2357

By: Osborn (Leslie) et al of the House

David et al of the Senate

Title: Revenue and taxation; Oklahoma Revenue and Taxation Codes
Amendments Act of 2017; effective date; emergency.

Coauthored By:

Recommendation: **DO PASS AS AMENDED BY CS**

Amendments:

1. Committee Substitute Attached



Chr.
Representative Leslie Osborn

YEAS: 20

Biggs, Casey, Cockroft, Dunnington, Echols, Inman, Jordan, Loring, Martin, O'Donnell, Ortega,
Osborn (L), Ownbey, Pfeiffer, Roberts (D), Sanders, Sears, Stone, Virgin, Wallace

NAYS: 3

Bennett (J), Calvey, Murphey

CONSTITUTIONAL PRIVILEGE: 0

**OKLAHOMA STATE SENATE
JOINT
COMMITTEE REPORT**

April 27, 2017

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

HB 2357

By: Osborn (Leslie) of the House and David and Fields of the Senate

Title: Revenue and taxation; Oklahoma Revenue and Taxation Codes Amendments Act of 2017; effective date; emergency.

Recommendation: **DO PASS AS AMENDED**

Aye: Bergstrom, Bice, Dugger, Griffin, Jech, Kidd, Leewright, Marlatt, McCortney, Paxton, Pederson, Pemberton, Pugh, Rader, Scott, Shaw, Simpson, Thompson, Yen, Fields, David

Nay: Allen, Boggs, Brecheen, Brown, Dahm, Daniels, Dossett, Floyd, Fry, Matthews, Newberry, Newhouse, Pittman, Quinn, Silk, Sparks, Standridge, Sykes

Pass:

Senator Kim David, Chair

Committee Substitute, motion by Senator DAVID - Adopted (Request No: 7720)

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

COMMITTEE SUBSTITUTE
FOR

HOUSE BILL NO. 2357

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, Section 1212, which relates to franchise
tax procedures; modifying reinstatement fee amount
for suspension of certain rights; providing an
effective date; and declaring an emergency.

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

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

Section 1212. A. If the report required pursuant to the
provisions of Section 1210 of this title is not filed and the tax
levied pursuant to the provisions of Section 1203, 1204 or 1205 of
this title is not paid within the time provided under subsection C
of Section 1208 of this title, the Oklahoma Tax Commission shall
levy and collect a penalty for such delinquency in the amount of ten
percent (10%) of the tax due. Such penalty shall be collected and

1 apportioned in the same manner as is the tax itself. In such event,
2 or if a form is not filed, as required by subsection D of Section
3 1210 of this title by a corporation, association or organization
4 exempt from the tax pursuant to subsection B of Section 1205 of this
5 title, the Tax Commission may enter an order directing the
6 suspension of the charter or other instrument of organization, under
7 which the corporation, association or organization may be organized,
8 and the forfeiture of all corporate or other rights inuring
9 thereunder. However, no such order of the Tax Commission shall be
10 issued nor effective as to any corporation, association or
11 organization the charter or certificate of authority of which is
12 issued by the State Banking Board or State Banking Commissioner
13 rather than the Secretary of State and the Tax Commission shall only
14 notify the registered agents or managing officer of the corporation,
15 association, or organization and shall notify the State Banking
16 Board or State Banking Commissioner of the amount of unpaid tax.
17 The Commissioner shall require the payment of such tax, plus
18 interest and penalty, if any, within a reasonable time.

19 B. Any person who attempts or purports to exercise any of the
20 rights, privileges or powers of any such domestic corporation,
21 association or organization, or who does or attempts to do any
22 business in the state in behalf of any such foreign corporation,
23 association or organization, without having first obtained a license
24 therefor, as provided herein, or after any such license so obtained

1 shall have been canceled, forfeited, or expired, shall be guilty of
2 a misdemeanor.

3 C. Each trustee, director or officer of any such corporation,
4 association or organization, whose right to do business within this
5 state shall be so forfeited, shall, as to any and all debts of such
6 corporation, association or organization, which may be created or
7 incurred with his or her knowledge, approval and consent, within
8 this state after such forfeiture and before the reinstatement of the
9 right of such corporation to do business, be deemed and held liable
10 thereon in the same manner and to the same extent as if such
11 trustees, directors, and officers of such corporation, association
12 or organization were partners. Any corporation, association or
13 organization whose right to do business shall be thus forfeited
14 shall be denied the right to sue or defend in any court of this
15 state, except in a suit to forfeit the charter of such corporation,
16 association or organization. In any suit against such corporation,
17 association or organization on a cause of action arising before such
18 forfeiture, no affirmative relief shall be granted to such
19 corporation, association or organization unless its right to do
20 business in this state shall be reinstated as provided herein.
21 Every contract entered into by or in behalf of such corporation,
22 association or organization, after such forfeiture as provided
23 herein, is hereby declared to be voidable.

1 D. Notice of such suspension and forfeiture shall be forwarded
2 by certified mail, return receipt requested, to the last-known
3 address of the registered agent or managing officer of each
4 corporation, association or organization, and the Tax Commission may
5 cause notice of such suspension and forfeiture to be published in a
6 newspaper of general circulation in the county in which the general
7 business office of each such corporation, association or
8 organization is located in this state.

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

21 F. After the issuance of such order of suspension and
22 forfeiture by the Tax Commission, the charter or other instrument of
23 organization may only be revived and reinstated upon the payment of
24 the accrued fees and penalties and a reinstatement fee in the amount

1 of ~~Fifteen Dollars (\$15.00)~~ One Hundred Fifty Dollars (\$150.00), and
2 a showing by the corporation, association or organization of a full
3 compliance with the laws of this state. Such payment of accrued
4 fees and penalties must be made prior to the expiration of the time
5 provided in such charter or other instrument of organization for the
6 life of such corporation, association or organization.

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

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

12

13 56-1-7777 MAH 04/27/17

14

15

16

17

18

19

20

21

22

23

24