

OKLAHOMA TAX COMMISSION

FISCAL IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-SIXTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: March 7, 2017

BILL NUMBER: HB 1853 STATUS AND DATE OF BILL: Engrossed 3/6/17

AUTHORS: House Ortega and Osborn (Leslie) Senate Thompson

TAX TYPE (S): Income Tax SUBJECT: Administrative

PROPOSAL: Amendatory, Repealer

HB 1853 proposes to amend 68 O.S. §5015 as it relates to the audit of sales tax claims made pursuant to the sales tax relief credit by increasing the claimant's notice time from the current thirty (30) days to sixty (60) days. The measure also amends 68 O.S. §2910 as it relates to those who may file a claim for property tax relief on the amount of property taxes paid on the household occupied by such person during the preceding calendar year, by increasing the claimant's notice time from the current thirty (30) days to sixty (60) days. HB 1853 proposes to repeal 68 O.S. §2368.2 as it relates to minimal amount of voluntary donations (income tax refund checkoffs).

EFFECTIVE DATE: November 1, 2017

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 18: -0-

FY 19: -0-

ADMINISTRATIVE IMPACT:

Insert the estimated cost or savings to the Tax Commission due to this proposed legislation.

FY 18: No additional cost or savings to the Tax Commission anticipated due to this proposed legislation

Mar. 7, 2017
DATE

Rick Miller
DIVISION DIRECTOR

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3-8-17
DATE

Keece Womack
KEECE WOMACK, ECONOMIST

3/6/17
DATE

Don Casper
FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT–HB 1853 [Engrossed] Prepared March 7, 2017

HB 1853 proposes to amend 68 O.S. §5015 as it relates to the audit of sales tax claims made pursuant to the sales tax relief credit by increasing the claimant's notice time from the current thirty (30) days to sixty (60) days. The measure also amends 68 O.S. §2910 as it relates to those who may file a claim for property tax relief on the amount of property taxes paid on the household occupied by such person during the preceding calendar year, by increasing the claimant's notice time from the current thirty (30) days to sixty (60) days. HB 1853 proposes to repeal 68 O.S. §2368.2 as it relates to minimal amount of voluntary donations (income tax refund checkoffs).

Section 1

Title 68 O.S. §5015 relates to the audit of sales tax claims made pursuant to the sales tax relief credit. Currently, the claimant may, within thirty (30) days after the date the notice is mailed concerning the incorrectness or disallowance of the sales tax claim, submit further or additional proof in support of claim or request oral hearing before the Tax Commission. To be consistent with other notice requirements in statutes related to the administration of state taxes, the proposed amendment would increase the claimant's notice time to respond to sixty (60) days.

Section 2

Title 68 O.S. §2910 relates to any person 65 years of age or older or any totally disabled person whose gross household income for such year does not exceed \$12,000 and who may file a claim for property tax relief on the amount of property taxes paid on the household occupied by such person during the preceding calendar year. Currently, if the Tax Commission determines that the amount of claim should be disallowed for any reason, it shall notify the claimant of the correct amount for which the claim can be allowed or the finding and reasons for disallowance of claim. The claimant may, within thirty (30) days after the date, submit further or additional proof in support of his claim or request oral hearing. The proposed amendment would increase the claimant's notice time to respond to sixty (60) days.

Section 3

Section 3 of this measure proposes to repeal 68 O.S. §2368.2 which relates to minimal amount of voluntary donations of income tax refund checkoff. Section 2368.2 provides that if on September 1 of any year, the total contributions to any one of the funds created through donations or contributions from income tax refunds do not equal \$15,000 or more for three (3) consecutive years, the explanations and spaces for designating contributions to the fund shall be removed from the income tax return forms for the following and subsequent years and also provides that all contributions to the removed fund after September 1 shall be refunded to the taxpayer. The repeal of 68 O.S. §2368.2 would simplify and make clearer the distinctions between the two (2) current statutes related to the expiration of income tax refund checkoffs.

Title 68 O.S. §2368.18 would remain current law which simply states that "All income tax checkoffs provided for in state statute shall expire four (4) years after enactment, unless reauthorized by the Legislature".

The proposed legislation is a request from the Tax Commission and there is no estimated fiscal or administrative impact.