

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 57th Legislature (2020)

4 HOUSE BILL 3068

By: Kiger of the House

5 and

6 **Pemberton** of the Senate

7
8
9 AS INTRODUCED

10 **[revenue and taxation - collection of income tax due**
11 **by state employees - modifying penalty - effective**
12 **date]**

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

16 SECTION 1. AMENDATORY 68 O.S. 2011, Section 238.2, as
17 amended by Section 534, Chapter 304, O.S.L. 2012 (68 O.S. Supp.
18 2019, Section 238.2), is amended to read as follows:

19 Section 238.2 A. It is the intent of the Legislature that the
20 provisions of this section operate to provide for the collection of
21 income taxes due to the State of Oklahoma by state employees in a
22 manner that will maximize flexibility for state employees to pay any
23 such taxes due while minimizing disruption to operations of state
24 agencies. It is the further intent of the Legislature that the

1 Oklahoma Tax Commission provide notice to state employees pursuant
2 to the provisions of subsection C of this section and that the Tax
3 Commission provide such notice to state employees at least six (6)
4 months prior to notification of noncompliance to a state agency.

5 B. The Office of Management and Enterprise Services shall, not
6 later than August 1, 2003, and August 1 of each year thereafter,
7 provide to the Tax Commission a list of all state employees as of
8 the preceding July 1 and such identifying information as may be
9 required by the Tax Commission. Such list and information shall be
10 used by the Tax Commission exclusively for the purpose of collection
11 of income taxes due to the State of Oklahoma. The provisions of any
12 laws making information confidential shall not apply with respect to
13 information supplied to the Tax Commission pursuant to the
14 provisions of this section; provided, such information shall be
15 subject to the provisions of Section 205 of this title.

16 C. The Tax Commission shall, not later than November 1, 2003,
17 and November 1 of each year thereafter, notify any state employee
18 who is not in compliance with the income tax laws of this state.
19 Such notification shall include:

20 1. A statement that the employee will be subject to
21 disciplinary action by the appointing authority unless the taxpayer
22 is deemed by the Tax Commission to be in compliance with the income
23 tax laws of this state;

1 2. The reasons that the taxpayer is considered to be out of
2 compliance with the income tax laws of this state, including a
3 statement of the amount of any tax, penalties and interest due or a
4 list of the tax years for which income tax returns have not been
5 filed as required by law;

6 3. An explanation of the rights of the taxpayer and the
7 procedures which must be followed by the taxpayer in order to come
8 into compliance with the income tax laws of this state; and

9 4. Such other information as may be deemed necessary by the Tax
10 Commission.

11 D. A state employee who has entered into and is abiding by a
12 payment agreement, or who has requested relief as an innocent spouse
13 which is pending or has been granted, shall be deemed to be in
14 compliance with the state income tax laws for purposes of this
15 section.

16 E. If the Tax Commission notifies a state employee who is not
17 in compliance with the income tax laws of this state as required in
18 this section and such state employee does not respond to such
19 notification or fails to come into compliance with the income tax
20 laws of this state after an assessment has been made final or after
21 the Tax Commission determines that every reasonable effort has been
22 made to assist the state employee to come into compliance with the
23 income tax laws of this state, the Tax Commission, notwithstanding
24 the provisions of Section 205 of this title, shall so notify the

1 appointing authority, which shall commence disciplinary action with
2 respect to the state employee and shall notify the state employee of
3 the reason for such action; provided, if a state agency receives a
4 notification with respect to a state employee who has failed to come
5 into compliance with the income tax laws, and the notification is
6 the employee's third notification as a state employee, regardless of
7 which agency the employee was employed by at the time of the first
8 and second notices, such employee shall ~~be terminated by the state~~
9 ~~agency according to the procedures provided by law~~ have a certain
10 percentage of wages garnished until such time as the employee is in
11 compliance with the income tax laws of this state. If a state
12 employee who has been previously reported by the Tax Commission to a
13 state agency as being out of compliance comes into compliance, the
14 Tax Commission shall immediately notify the appointing authority.
15 Neither a state agency nor an appointing authority shall be held
16 liable for any action with respect to a state employee pursuant to
17 the provisions of this section.

18 F. The Tax Commission shall promulgate rules for the
19 implementation of the provisions of this section.

20 G. As used in this section:

21 1. "State agency" means any office, department, board,
22 commission or institution of the executive, legislative or judicial
23 branch of state government;

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1 2. "Employee" or "state employee" means an appointed officer or
2 employee of a state agency; provided, the term employee or state
3 employee shall not include an elected official or an employee of a
4 local governmental entity; and

5 3. "Appointing authority" means the chief administrative
6 officer of a state agency.

7 SECTION 2. This act shall become effective November 1, 2020.

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9 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
10 02/26/2020 - DO PASS, As Amended and Coauthored.

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