

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 3385

By: Dunnington and Bush

4  
5 AS INTRODUCED

6 An Act relating to revenue and taxation; amending 68  
7 O.S. 2011, Section 5011, which relates to sales tax  
8 relief; expanding relief to provide a limited amount  
9 of relief to individuals at certain income levels;  
10 modifying certain calculation; providing for increase  
11 based on certain index; and providing an effective  
12 date.

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

14 SECTION 1. AMENDATORY 68 O.S. 2011, Section 5011, is  
15 amended to read as follows:

16 Section 5011. A. Except as otherwise provided by this section,  
17 beginning with the calendar year 1990 and for each calendar year  
18 through 1998, and for calendar year 2003, any individual who is a  
19 resident of and is domiciled in this state during the entire  
20 calendar year for which the filing is made and whose gross household  
21 income for such year does not exceed Twelve Thousand Dollars  
22 (\$12,000.00) may file a claim for sales tax relief.

23 B. For calendar years 1999, 2002 and 2004, any individual who  
24 is a resident of and is domiciled in this state during the entire  
calendar year for which the filing is made may file a claim for

1 sales tax relief if the gross household income for such year does  
2 not exceed the following amounts:

3 1. For an individual not subject to the provisions of paragraph  
4 2 of this subsection and claiming no allowable personal exemption  
5 other than the allowable personal exemption for that individual or  
6 the spouse of that individual, Fifteen Thousand Dollars  
7 (\$15,000.00); or

8 2. For an individual claiming one or more allowable personal  
9 exemptions other than the allowable personal exemption for that  
10 individual or the spouse of that individual, an individual with a  
11 physical disability constituting a substantial handicap to  
12 employment, or an individual who is sixty-five (65) years of age or  
13 older at the close of the tax year, Thirty Thousand Dollars  
14 (\$30,000.00).

15 C. For calendar years 2000, 2001, 2005 and following, an  
16 individual who is a resident of and is domiciled in this state  
17 during the entire calendar year for which the filing is made may  
18 file a claim for sales tax relief if the gross household income for  
19 such year does not exceed the following amounts:

20 1. For an individual not subject to the provisions of paragraph  
21 2 of this subsection and claiming no allowable personal exemption  
22 other than the allowable personal exemption for that individual or  
23 the spouse of that individual, Twenty Thousand Dollars (\$20,000.00);  
24 or

1        2. For an individual claiming one or more allowable personal  
2 exemptions other than the allowable personal exemption for that  
3 individual or the spouse of that individual, an individual with a  
4 physical disability constituting a substantial handicap to  
5 employment, or an individual who is sixty-five (65) years of age or  
6 older at the close of the tax year, Fifty Thousand Dollars  
7 (\$50,000.00).

8        D. For calendar years 2021 and following, an individual who is  
9 a resident of and is domiciled in this state during the entire  
10 calendar year for which the filing is made may file a claim for  
11 fifty percent (50%) of the amount of sales tax relief for such years  
12 that the gross household income of the individual meets the  
13 following requirements:

14        1. For an individual not subject to the provisions of paragraph  
15 2 of this subsection and claiming no allowable personal exemption  
16 other than the allowable personal exemption for that individual or  
17 the spouse of that individual with a gross household income that is  
18 greater than Twenty Thousand Dollars (\$20,000.00) and less than  
19 Thirty Thousand Dollars (\$30,000.00); or

20        2. For an individual claiming one or more allowable personal  
21 exemptions other than the allowable personal exemption for that  
22 individual or the spouse of that individual, an individual with a  
23 physical disability constituting a substantial handicap to  
24 employment, or an individual who is sixty-five (65) years of age or

1 older at the close of the tax year, with a gross household income  
2 that is greater than Fifty Thousand Dollars (\$50,000.00) and less  
3 than Sixty Thousand Dollars (\$60,000.00).

4 E. The amount of the claim filed pursuant to the Sales Tax  
5 Relief Act shall be ~~Forty Dollars (\$40.00)~~ Eighty Dollars (\$80.00)  
6 multiplied by the number of allowable personal exemptions. As used  
7 in the Sales Tax Relief Act, "allowable personal exemption" means a  
8 personal exemption to which the taxpayer would be entitled pursuant  
9 to the provisions of the Oklahoma Income Tax Act, except for:

10 1. The exemptions such taxpayer would be entitled to pursuant  
11 to Section 2358 of this title if such taxpayer or spouse is blind or  
12 sixty-five (65) years of age or older at the close of the tax year;

13 2. An exemption for a person convicted of a felony if during  
14 all or any part of the calendar year for which the claim is filed  
15 such person was an inmate in the custody of the Department of  
16 Corrections; or

17 3. An exemption for a person if during all or any part of the  
18 calendar year for which the claim is filed such person resided  
19 outside of this state.

20 ~~E.~~ F. If the Consumer Price Index for all Urban Consumers (CPI-  
21 U) produced by the Bureau of Labor Statistics of the United States  
22 Department of Labor increases for calendar years 2021 and following,  
23 then the following year the income limitations provided in  
24

1 subsections C and D of this section shall be adjusted to reflect the  
2 annual rate of increase in the index.

3 G. A person convicted of a felony shall not be permitted to  
4 file a claim for sales tax relief pursuant to the provisions of  
5 Sections 5010 through 5016 of this title for the period of time  
6 during which the person is an inmate in the custody of the  
7 Department of Corrections. Such period of time shall include the  
8 entire calendar year if the person is in the custody of the  
9 Department of Corrections during any part of the calendar year. The  
10 provisions of this subsection shall not prohibit all other members  
11 of the household of an inmate from filing a claim based upon the  
12 personal exemptions to which the household members would be entitled  
13 pursuant to the provisions of the Oklahoma Income Tax Act.

14 ~~F.~~ H. The Department of Corrections shall withhold up to fifty  
15 percent (50%) of any money inmates receive for claims made pursuant  
16 to the Sales Tax Relief Act prior to September 1, 1991, for costs of  
17 incarceration.

18 ~~G.~~ I. For purposes of Section 139.105 of Title 17 of the  
19 Oklahoma Statutes, the gross household income of any individual who  
20 may file a claim for sales tax relief shall not exceed Twelve  
21 Thousand Dollars (\$12,000.00).

22 SECTION 2. This act shall become effective January 1, 2021.  
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