



# MEMO

Tax Policy Division

**To:** Rick Miller, Director *RAM*  
**From:** Bettina Fryhover - Tax Policy Analyst  
**Cc:** Lisa Haws, Tax Policy Analyst  
**Date:** 02/18/2022  
**Re:** Revenue Impact – Proposed Committee Substitute for SB 1493

---

The Proposed Committee Substitute for SB 1493 proposes to amend 68 O.S. § 216.3, which relates to the Voluntary Compliance Initiative (VCI). The time in which a voluntary payment of tax liability may be made or the taxpayer may enter into a payment program acceptable to the Tax Commission for the payment of the unpaid taxes in full in the manner and time established in a written payment program agreement between the Tax Commission and the taxpayer under the VCI is limited to the period beginning on September 14, 2015, and ending on November 13, 2015.

Under the proposal, the Oklahoma Tax Commission (OTC) will abate and not seek to collect any interest, penalties, collection fees, or costs and release any liens imposed for any tax period prior to the 2015 tax period for any taxpayer, including any taxpayer who did not enter into an agreement under the VCI, who has paid delinquent tax owed by November 13, 2015, and who only owes accrued interest, accruing interest, penalties and collection fees, or costs accrued from eligible taxes for tax years 2014 and before.<sup>1</sup>

OTC records indicate the amount of outstanding interest, penalties, collection fees and costs eligible to be abated under the proposal total approximately \$8.1 million. Because the proposal is effective upon passage and approval, the decrease in revenue of \$8.1 million is expected for FY 2023.

## **Administrative Concern**

Filing fees for tax liens are owed to counties at the time of filing, and it is unclear how counties should treat outstanding fees for liens released under this proposal.

---

<sup>1</sup> It is assumed that a taxpayer who owes a liability for tax year 2015 and subsequent tax years is eligible for abatement of accrued interest, accruing interest, penalties and collection fees, or costs accrued from eligible taxes for tax years 2014 and before, as long as no tax is owed for tax years 2014 and before.

