

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: January 29, 2021

BILL NUMBER: SB 699 **STATUS AND DATE OF BILL:** Introduced 1/21/2021

AUTHORS: House n/a Senate Rader

TAX TYPE (S): Other **SUBJECT:** Administrative

PROPOSAL: New Law. SB 699 proposes to allow the Oklahoma Tax Commission (OTC) to employ and fix the duties and compensation of criminal investigators to initiate criminal investigations for violations of Oklahoma tax laws. In carrying out investigations for violations of Oklahoma tax laws, the OTC Executive Director, upon recommendation and approval by the OTC General Counsel, may subpoena witnesses, compel witness attendance and testimony, and require the production of evidence that an investigator finds relevant or material to an investigation.

EFFECTIVE DATE: November 1, 2021

REVENUE IMPACT:

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

FY 22: An unknown increase in tax revenues is expected as a result of this proposal.

ADMINISTRATIVE IMPACT:

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

FY 22: Potential costs to the OTC for performing criminal investigations are unknown.

Jan. 29, 2021
DATE

Rick Miller
DIVISION DIRECTOR

bdf

2/1/2021
DATE

Huan Gong
HUAN GONG, ECONOMIST

2/1/21
DATE

[Signature]
FOR THE COMMISSION

The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.

ATTACHMENT TO REVENUE IMPACT - SB 699 [Introduced] Prepared 1/29/2021

SB 699 proposes to allow the Oklahoma Tax Commission (OTC) to employ and fix the duties and compensation of criminal investigators to initiate criminal investigations for violations of Oklahoma tax laws. An investigator is required to:

- Be certified by the Council on Law Enforcement Education and Training pursuant to 70 O.S. §3311 and will be considered a peace officer and have the powers now and hereafter vested by law in peace officers;
- Execute a bond in like manner and amount as a district investigator pursuant to 19 O.S. §215.3;
- Serve under the direction of the General Counsel of the OTC pursuant to 68 O.S. §105 and perform such duties as are necessary in the investigation of criminal activity or preparation of civil litigation within the state; and
- Have jurisdiction in any portion of the state while in the performance of official duties as an investigator for the OTC.

In carrying out investigations for violations of Oklahoma tax laws, the OTC Executive Director, upon recommendation and approval by the OTC General Counsel, may subpoena witnesses, compel witness attendance and testimony, and require the production of evidence that an investigator finds relevant or material to an investigation. The OTC General Counsel may invoke the aid of any district court of the state within the jurisdiction of which the investigation is carried on or of which the subpoenaed person is an inhabitant, or in which (s)he carries on business or may be found, to compel compliance with a subpoena. Any failure to obey a court order may be punished by the court as an indirect contempt thereof. All process in the case may be served in any judicial district in which the person may be found. Potential costs to the OTC for performing criminal investigators are unknown.

An unknown increase in tax revenues is expected as a result of this proposal.