

# OKLAHOMA TAX COMMISSION

## REVENUE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE

**DATE OF IMPACT STATEMENT:** February 16, 2021

**BILL NUMBER:** SB 720

**STATUS AND DATE OF BILL:** Committee Substitute 02/09/2021

**AUTHORS:** House n/a Senate Thompson

**TAX TYPE (S):** Sales Tax & Mixed Beverage **SUBJECT:** Administrative

**PROPOSAL:** Amendatory

The measure authorizes and directs the Oklahoma Tax Commission ("OTC") to establish a tax amnesty program during which penalties and interest due on delinquent taxes assessed by the OTC and imposed pursuant to 68 O.S. §§ 1351 et seq. and the Oklahoma Alcoholic Beverage Control Act shall be waived for establishments whose activities are defined or classified in the NAICS Manual under Industry Group Nos. 7224 & 7225. Taxpayers shall be entitled to a waiver of penalty and interest<sup>1</sup> due on delinquent taxes attributable to monthly tax reports due and owing beginning April 20, 2020, through June 20, 2021. If the taxpayer voluntarily pays the taxes due during the amnesty period which shall extend from the effective date of this measure through March 31, 2022. In addition, the OTC shall promulgate rules detailing the terms and conditions of this program, is authorized to expend necessary available funds to publicly advertise this program and shall be exempt from the provisions of Section 85.7 of Title 74 for the purpose of implementing this section.

**EFFECTIVE DATE:** November 1, 2021

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

FY 22: Unknown

### ADMINISTRATIVE IMPACT:

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

FY 22: Unknown increase at this time.

Feb. 26, 2021  
DATE

Rick Miller  
DIVISION DIRECTOR

msm

2/26/2021  
DATE

Huan Gong  
HUAN GONG, ECONOMIST

2/27/21  
DATE

JDA  
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.***

<sup>1</sup> The waiver of penalties and interest shall apply to the underreporting of tax liabilities, nonpayment of taxes, and the non-reporting of tax liabilities.

**Attachment to Revenue Impact – SB720 - [Committee Substitute] - Prepared 02/16/2021**

The measure authorizes and directs the Oklahoma Tax Commission (“OTC”) to establish a tax amnesty program during which penalties and interest due on delinquent taxes assessed by the OTC and imposed pursuant to 68 O.S. §§ 1351 et seq. and the Oklahoma Alcoholic Beverage Control Act shall be waived for establishments whose activities are defined or classified in the NAICS Manual under Industry Group Nos. 7224 & 7225. Taxpayers shall be entitled to a waiver of penalty and interest<sup>2</sup> due on taxes which delinquent taxes attributable to monthly tax reports due and owing are beginning April 20, 2020, through June 20, 2021, if the taxpayer voluntarily pays the taxes due during the amnesty period which shall extend from the effective date of this measure through March 31, 2022. In addition, the OTC shall promulgate rules detailing the terms and conditions of this program, is authorized to expend necessary available funds to publicly advertise this program and shall be exempt from the provisions of Section 85.7 of Title 74 for the purpose of implementing this section.

The impact to state tax revenues for FY 22 is unknown.

Administrative costs:

Administrative costs associated with the implementation of this measure are unknown at this time.

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<sup>2</sup> The waiver of penalties and interest shall apply to the underreporting of tax liabilities, nonpayment of taxes, and the non-reporting of tax liabilities.