

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

SENATE BILL 1304

By: Rader

AS INTRODUCED

An Act relating to income tax; amending 68 O.S. 2021, Section 2385.9, which relates to payment of estimated tax; providing exception to the calculation of required annual payment; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 2021, Section 2385.9, is amended to read as follows:

Section 2385.9. A. The required annual payment of estimated tax shall be paid in four equal installments as follows:

1. In the case of a taxpayer on a calendar year basis, the first installment shall be paid on April 15 of the taxable year, the second and third on June 15 and September 15, respectively, of the taxable year and the fourth on January 15 of the succeeding taxable year. However, if taxpayer files return and pays tax due on or before January 31, the payment of the installment due January 15 is waived; and

2. In the application of this section to the case of a taxable year beginning on any date other than January 1, there shall be

1 substituted, for the months specified in this section, the months
2 which correspond thereto.

3 B. As used in this section, the "required annual payment" shall
4 mean the lesser of:

5 1. Seventy percent (70%) of the tax shown on the return for the
6 taxable year; or

7 2. One hundred percent (100%) of the tax shown on the return
8 for the preceding taxable year of twelve (12) months, unless the
9 preceding taxable year was not a taxable year of twelve (12) months,
10 or the corporation did not file a return for such preceding taxable
11 year showing a liability for tax.

12 C. For purposes of determining the amount of tax due on any of
13 the respective dates, taxpayers may compute the tax by placing
14 taxable income on an annualized basis as prescribed by rules
15 promulgated by the Oklahoma Tax Commission, which shall be in
16 accordance with the annualization provisions of the Internal Revenue
17 Code. For corporate taxpayers, the annualization provisions found
18 in Section 6655(e)(2)(c) and 6655(e)(3) of the Internal Revenue Code
19 may not be used. The provisions allowed in this section for
20 computing estimated taxes on an annualized basis shall only be
21 permitted for a taxable year of twelve (12) months.

22 SECTION 2. This act shall become effective November 1, 2022.
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