



1 be assessed at the same time as the deficiency and shall be paid  
2 upon notice and demand of the Oklahoma Tax Commission at the ~~rate of~~  
3 ~~one and one quarter percent (1 1/4%) per month~~ annual rate  
4 calculated using Wall Street Prime, as of January 1 of that year,  
5 plus three percentage points from the date prescribed in the state  
6 tax law levying such tax for the payment thereof to the date the  
7 deficiency is assessed.

8 C. If any tax due under state sales, use, tourism, mixed  
9 beverage gross receipts, or motor fuel tax laws, or any part  
10 thereof, is not paid within fifteen (15) days after such tax becomes  
11 delinquent a penalty of ten percent (10%) on the total amount of tax  
12 due and delinquent shall be added thereto, collected and paid.  
13 However, the Tax Commission shall not collect the penalty assessed  
14 if the taxpayer remits the tax and interest within sixty (60) days  
15 of the mailing of a proposed assessment or voluntarily pays the tax  
16 upon the filing of an amended return.

17 D. If any tax due under any state tax law other than those  
18 specified in subsection C of this section, or any part thereof, is  
19 not paid within thirty (30) days after such tax becomes delinquent a  
20 penalty of ten percent (10%) on the total amount of tax due and  
21 delinquent shall be added thereto, collected and paid. However, the  
22 Tax Commission shall not collect the penalty assessed if the  
23 taxpayer remits the tax and interest within sixty (60) days of the  
24

1 mailing of a proposed assessment or voluntarily pays the tax upon  
2 the filing of an amended return.

3 E. If any part of any deficiency, arbitrary or jeopardy  
4 assessment made by the Tax Commission is based upon or occasioned by  
5 the taxpayer's negligence or by the failure or refusal of any  
6 taxpayer to file with the Tax Commission any report or return, as  
7 required by this title, or by any state tax law, within ten (10)  
8 days after a written demand for such report or return has been  
9 served upon any taxpayer by the Tax Commission by letter, the Tax  
10 Commission may assess and collect, as a penalty, twenty-five percent  
11 (25%) of the amount of the assessment. For purposes of this  
12 subsection, "negligence" shall mean the consistent understatement of  
13 income, consistent understatement of receipts or a system of  
14 recordkeeping by the taxpayer that consistently results in an  
15 inaccurate reporting of tax liability.

16 F. If any part of any deficiency is due to fraud with intent to  
17 evade tax, then fifty percent (50%) of the total amount of the  
18 deficiency, in addition to such deficiency, including interest as  
19 herein provided, shall be added, collected and paid.

20 G. All penalties or interest imposed by this title, or any  
21 state tax law, shall be recoverable by the Tax Commission as a part  
22 of the tax with respect to which they are imposed, the penalties  
23 bearing interest as provided in this section for the tax, and all  
24 penalties and interest shall be apportioned as provided for the

1 apportionment of the tax on which such penalties or interest are  
2 collected.

3 H. 1. Whenever an income tax refund is not paid to the  
4 taxpayer within ninety (90) days after the return is filed or due,  
5 whichever is later, with all documents as required by the Tax  
6 Commission, entitling the taxpayer to a refund, then the Tax  
7 Commission shall pay interest on the refund, at the same rate  
8 specified for interest on delinquent tax payments. The payment of  
9 interest on refunds provided for by this section shall apply to tax  
10 year 1987 and subsequent tax years. The Tax Commission shall not be  
11 required to pay interest on an income tax refund which is applied,  
12 in whole or in part, to a prior year tax liability pursuant to  
13 Section 2385.17 of this title or upon an income tax refund applied,  
14 in whole or in part, to satisfy a debt owed to the Internal Revenue  
15 Service of the United States or to a state agency, including the  
16 Oklahoma Tax Commission, as provided by Section 205.2 of this title.

17 2. For tax returns filed after January 1, 2004, and before  
18 January 2, 2010, whenever an income tax refund is not paid to the  
19 taxpayer within the following number of days after the income tax  
20 return is filed with all documents as required by the Tax Commission  
21 or after the income tax return is due, whichever is later, entitling  
22 the taxpayer to a refund, then the Tax Commission shall pay interest  
23 on the refund at the same rate specified for interest on delinquent  
24 tax payments:

- 1           a.    for returns filed electronically, thirty (30) days,
- 2                    and
- 3           b.    for all other returns, one hundred fifty (150) days.

4           3. For tax returns filed after January 1, 2010, whenever an  
5 income tax refund is not paid to the taxpayer within the following  
6 number of days after the income tax return is filed or due,  
7 whichever is later, with all documents as required by the Tax  
8 Commission entitling the taxpayer to a refund, then the Tax  
9 Commission shall pay interest on the refund at the same rate  
10 specified for interest on delinquent tax payments:

- 11           a.    for returns filed electronically, forty-five (45)
- 12                    days, and
- 13           b.    for all other returns, ninety (90) days.

14           SECTION 2.        AMENDATORY        68 O.S. 2021, Section 2385.13, is  
15 amended to read as follows:

16           Section 2385.13. A. In the case of any underpayment of the  
17 estimated tax payment required in Section 2385.9 of this title,  
18 there shall be added to the amount of the underpayment interest  
19 thereon at an annual rate ~~of twenty percent (20%)~~ calculated using  
20 Wall Street Prime, as of January 1 of that year, plus three  
21 percentage points for the period of the underpayment.

22           B. As used in subsection A of this section, the amount of the  
23 underpayment shall be the excess of the required installment over  
24 the amount paid on or before the due date of the installment. The

1 period of underpayment shall run from the due date of the required  
2 installment to the earlier of the fifteenth day of the fourth month,  
3 or for corporations, thirty (30) days after the due date for returns  
4 established under the Internal Revenue Code, following the close of  
5 the taxable year or the date on which the required installment is  
6 paid.

7 C. No addition to tax shall be imposed under subsection A of  
8 this section if the tax shown on the return for the taxable year is  
9 less than One Thousand Dollars (\$1,000.00) or if the taxpayer was an  
10 Oklahoma resident throughout the preceding taxable year of twelve  
11 (12) months and did not have any liability for tax for the preceding  
12 taxable year.

13 SECTION 3. NEW LAW A new section of law not to be  
14 codified in the Oklahoma Statutes reads as follows:

15 The amended interest rates provided in this act shall apply to  
16 all delinquencies occurring on or after the effective date of this  
17 act and shall apply to any delinquent account in existence as of the  
18 effective date of this act.

19 SECTION 4. This act shall become effective November 1, 2025.  
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21 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
22 02/18/2026 - DO PASS, As Amended and Coauthored.  
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