

An Act

ENROLLED SENATE
BILL NO. 463

By: Jolley and Bingman of the
Senate

and

Murphey of the House

An Act relating to tax administration; requiring Oklahoma Tax Commission to establish certain forms and procedures to be used in lieu of certain other forms and procedures; clarifying basis for certain computation; directing that single remittance procedure be established pursuant to certain requirements; requiring specified election by person or entity, and providing applicability thereof; defining term; providing for codification; and providing an effective date.

SUBJECT: Business tax filing procedures

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 283 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For all taxable years which begin on or after January 1, 2016, the Oklahoma Tax Commission shall establish forms and procedures for an aggregate business filing and remittance. At the election of a person or entity doing business in this state, the aggregate business filing may be used as a single filing in lieu of the filing of separate returns, applications or other annual filings required pursuant to the Oklahoma Income Tax Act, the Franchise Tax Code and the fee required pursuant to paragraph 18 of subsection A of Section 1142 of Title 18 of the Oklahoma Statutes. The

computation of tax liability and the amount of any fees determined by use of the aggregate business filing shall be in all respects identical to the computation of such liability pursuant to the Oklahoma Income Tax Act, the Franchise Tax Code and the Oklahoma General Corporation Act; provided the remittance procedure shall provide for a single remittance, payment or schedule pursuant to the requirements of subsections G, H and I of Section 2368 of Title 68 of the Oklahoma Statutes.

B. In order to use the aggregate business filing and remittance procedures for a taxable period, a person or entity doing business in this state shall make an election on a form and according to a schedule prescribed by the Oklahoma Tax Commission. Such election shall authorize the person or entity to use the aggregate business filing and remittance procedures in lieu of the filing and remittance procedures otherwise required but shall not exempt or otherwise limit the liability of the taxpayer for amounts due pursuant to the Oklahoma Income Tax Act, the Franchise Tax Code and the Oklahoma General Corporation Act.

C. For purposes of this section, "person or entity doing business in this state" shall mean a person or entity who:

1. Is domiciled in this state as an individual for business purposes or is domiciled in this state for corporate, commercial or other business purposes;

2. Owns or uses a part or all of its capital in this state;

3. Has at any time during the calendar year property in this state with an aggregate value of at least Fifty Thousand Dollars (\$50,000.00). For the purpose of this subsection, owned property is valued at original cost and rented property is valued at eight times the net annual rental charge;

4. Has during the calendar year payroll in this state of at least Fifty Thousand Dollars (\$50,000.00). Payroll in this state includes all of the following:

a. any amount subject to withholding by the person under Section 2385.2 of this title,

- b. any other amount the person pays as compensation to an individual under the supervision or control of the person for work done in this state, and
- c. any amount the person pays for services performed in this state on its behalf by another;

5. Has during the calendar year sales in this state of at least Five Hundred Thousand Dollars (\$500,000.00);

6. Has at any time during the calendar year within this state at least twenty-five percent (25%) of the person's total property, total payroll, or total sales; or

7. Otherwise has a nexus with this state to an extent that the person can be required to remit the tax imposed under the Oklahoma Income Tax Act, the Franchise Tax Code and, that which is required pursuant to the Oklahoma General Corporation Act but otherwise remitted to the Oklahoma Tax Commission.

SECTION 2. This act shall become effective November 1, 2015.

Passed the Senate the 10th day of March, 2015.

Eddie Finkel
Presiding Officer of the Senate

Passed the House of Representatives the 14th day of April, 2015.

Jeffrey W. Fisher
Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 15th
day of April, 20 15, at 2:45 o'clock P M.

By: Audrey Rockwell

Approved by the Governor of the State of Oklahoma this 21st
day of April, 20 15, at 1:47 o'clock P M.

Mary Fallin
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 21st
day of April, 20 15, at 3:19 o'clock P. M.

By: Chi Benge