

STATE OF OKLAHOMA

2nd Session of the 49th Legislature (2004)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL 844

By: Snyder of the Senate

and

Phillips and Nance of the
House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to revenue and taxation; amending 68 O.S. 2001, Section 238.1, which relates to income tax collection procedures; modifying legislative intent; modifying procedures with respect to holders of state-issued licenses that are deemed out of compliance with certain state tax laws; providing for renewal and reinstatement of certain licenses; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 68 O.S. 2001, Section 238.1, is amended to read as follows:

Section 238.1 A. It is the intent of the Legislature that the provisions of this section operate to provide for the collection of income taxes due to the State of Oklahoma by persons holding state licenses in a manner that will maximize flexibility for licensees to pay any such taxes due while minimizing inconvenience to licensees and disruption to operations of licensing entities. It is the further intent of the Legislature that the Oklahoma Tax Commission allow at least six (6) months notice to licensees pursuant to the provisions of subsection C of this section prior to notification of noncompliance to a licensing entity.

B. Each licensing entity shall, on a date that allows the Tax Commission to comply with the notice provisions of subsection A of

this section, provide to the Tax Commission a list of all its licensees and such identifying information as may be required by the Tax Commission. Such list and information shall be used by the Tax Commission exclusively for the purpose of collection of income taxes due to the State of Oklahoma. The provisions of any laws making application information confidential shall not apply with respect to information supplied to the Tax Commission pursuant to the provisions of this section; provided, such information shall be subject to the provisions of Section 205 of ~~Title 68 of the Oklahoma Statutes~~ this title.

C. The Tax Commission shall notify any licensee who is not in compliance with the income tax laws of this state. Such notification shall include:

1. A statement that the licensee's license will not be renewed until the taxpayer is deemed by the Tax Commission to be in compliance with the income tax laws of this state;

2. The reasons that the taxpayer is considered to be out of compliance with the income tax laws of this state, including a statement of the amount of any tax, penalties and interest due or a list of the tax years for which income tax returns have not been filed as required by law;

3. An explanation of the rights of the taxpayer and the procedures which must be followed by the taxpayer in order to come into compliance with the income tax laws of this state; and

4. Such other information as may be deemed necessary by the Tax Commission.

D. A licensee who has entered into and is abiding by a payment agreement, or who has requested relief as an innocent spouse which is pending or has been granted, shall be deemed to be in compliance with the state income tax laws for purposes of this section.

E. If the Tax Commission notifies a licensee who is not in compliance with the income tax laws of this state as required in

this section and such licensee does not respond to such notification or fails to come into compliance with the income tax laws of this state after an assessment has been made final or after the Tax Commission determines that every reasonable effort has been made to assist the licensee to come into compliance with the income tax laws of this state, the Tax Commission, notwithstanding the provisions of Section 205 of this title, shall so notify the licensing entity, which shall not renew the licensee's license at such time as it is subject to renewal and shall notify the applicant of the reason for nonrenewal.

If a licensee who has been previously reported by the Tax Commission to a licensing entity as being out of compliance comes into compliance, the Tax Commission shall immediately notify the licensing entity which shall renew or reinstate the license according to the regulations of the licensing entity; provided, if any license is not renewed or reinstated pursuant to the provisions of this section and such nonrenewal or failure to reinstate results in a requirement that the licensee complete continuing education, an examination or any other condition of renewal which would not have been required but for the provisions of this section, the licensee shall not be required to fulfill such requirements prior to renewal of the license. Any and all licensing fees that come due during the period of nonrenewal shall be required to be paid in full as a condition of renewal or reinstatement. If the licensee does not come into compliance within twenty-four (24) months of the date of nonrenewal, the licensing entity shall take appropriate action pursuant to applicable statutes. A licensing entity shall not be held liable for any action with respect to a state license pursuant to the provisions of this section.

F. If the Oklahoma Bar Association receives notice that a licensed attorney is not in compliance with the income tax laws of this state as provided in this section, the Bar Association shall

begin proceedings by which the attorney may be suspended pursuant to Rule Governing Disciplinary Proceedings. If suspended, the attorney may be reinstated pursuant to reinstatement procedures as provided in the Rules Governing Disciplinary Proceedings.

G. The Tax Commission shall promulgate rules for the implementation of the provisions of this section.

H. As used in this section:

1. "State license" means a license, certificate, registration, permit, approval or other similar document issued by a licensing entity granting to an individual or business a right or privilege to engage in a profession, occupation or business in this state.

"State license" does not include an inactive license issued by a licensing entity which does not grant an individual the right to engage in a profession, occupation or business in this state; and

2. "Licensing entity" means a bureau, department, division, board, agency, commission or other entity of this state or of a municipality in this state that issues a state license.

SECTION 2. This act shall become effective July 1, 2004.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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