

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 SENATE BILL NO. 678

By: Montgomery

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5
6 AS INTRODUCED

7 An Act relating to tax administration; amending 68
8 O.S. 2011, Section 227, as last amended by Section 1,
9 Chapter 358, O.S.L. 2016 (68 O.S. Supp. 2018, Section
10 227), which relates to statute of limitations for
11 claiming certain refunds; eliminating specific
12 statute of limitations for claiming sales and use tax
13 refunds; clarifying application of certain time
14 limit; and providing an effective date.

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

16 SECTION 1. AMENDATORY 68 O.S. 2011, Section 227, as last
17 amended by Section 1, Chapter 358, O.S.L. 2016 (68 O.S. Supp. 2018,
18 Section 227), is amended to read as follows:

19 Section 227. (a) Any taxpayer who has paid to the State of
20 Oklahoma, through error of fact, or computation, or
21 misinterpretation of law, any tax collected by the Tax Commission
22 may, as hereinafter provided, be refunded the amount of such tax so
23 erroneously paid, without interest.

24 (b) ~~(1) Except as otherwise provided by division (2) of this~~
~~subsection, any~~ Any taxpayer who has so paid any such tax may,
within three (3) years from the date of payment thereof file with

1 the Tax Commission a verified claim for refund of such tax so
2 erroneously paid. The Tax Commission may accept an amended sales
3 tax, withholding tax or other report or return as a verified claim
4 for refund if the amended report or return establishes a liability
5 less than the original report or return previously filed.

6 ~~(2) Upon the effective date of this act, with respect to the~~
7 ~~sales tax imposed by Section 1354 of this title and with respect to~~
8 ~~the use tax imposed by Section 1402 of this title, any taxpayer who~~
9 ~~has so paid such sales or use tax may, within two (2) years from the~~
10 ~~date of payment thereof file with the Tax Commission a verified~~
11 ~~claim for refund of such tax so erroneously paid. The Tax~~
12 ~~Commission may accept an amended sales or use tax report or return~~
13 ~~as a verified claim for refund if the amended report or return~~
14 ~~establishes a liability less than the original report or return~~
15 ~~previously filed.~~

16 (c) Said claim so filed with the Tax Commission, except for an
17 amended report or return, shall specify the name of the taxpayer,
18 the time when and period for which said tax was paid, the nature and
19 kind of tax so paid, the amount of the tax which said taxpayer
20 claimed was erroneously paid, the grounds upon which a refund is
21 sought, and such other information or data relative to such payment
22 as may be necessary to an adjustment thereof by the Tax Commission.
23 It shall be the duty of the Commission to determine what amount of
24 refund, if any, is due as soon as practicable after such claim has

1 been filed and advise the taxpayer about the correctness of his
2 claim and the claim for refund shall be approved or denied by
3 written notice to the taxpayer.

4 (d) If the claim for refund is denied, the taxpayer may file a
5 demand for hearing with the Commission. The demand for hearing must
6 be filed on or before the sixtieth day after the date the notice of
7 denial was mailed. If the taxpayer fails to file a demand for
8 hearing, the claim for refund shall be barred.

9 (e) Upon the taxpayer's timely filing of a demand for hearing,
10 the Commission shall set a date for hearing upon the claim for
11 refund which date shall not be later than sixty (60) days from the
12 date the demand for hearing was mailed. The taxpayer shall be
13 notified of the time and place of the hearing. The hearing may be
14 held after the sixty-day period provided by this subsection upon
15 agreement of the taxpayer.

16 (f) The provisions of this section shall not apply: (1) to
17 refunds of income tax erroneously paid, refunds of which tax shall
18 be payable out of the income tax adjustment fund as provided by law;
19 (2) to estate tax because the payment of such tax is covered by an
20 order of the Tax Commission and the estate and interested parties
21 are given notice that Commission's position and computation of the
22 tax will become final unless they protest and resist the payment
23 thereof as provided by statute; nor, (3) in any case where the tax
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1 was paid after an assessment thereof was made by the Tax Commission
2 which assessment became final under the law.

3 SECTION 2. This act shall become effective November 1, 2019.

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