

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 58th Legislature (2022)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 3353

By: McCall and **Phillips**

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9 COMMITTEE SUBSTITUTE

10 An Act relating to revenue and taxation; defining
11 terms; providing for sales tax relief credit for
12 specified calendar years; specifying amount of credit
13 based upon gross household income amounts; amending
14 68 O.S. 2021, Section 5011, which relates to
15 procedures for claiming of credits; modifying
16 provisions related to claim of credits; modifying
17 credit amounts for specified calendar years; and
18 declaring an emergency.

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

20 SECTION 1. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 5010.1 of Title 68, unless there
22 is created a duplication in numbering, reads as follows:

23 A. As used in the Sales Tax Relief Act:

24 1. "Adult" means any person eighteen (18) years of age or
 older;

1 2. "Disabled" means that a person has been determined to have
2 been permanently and totally disabled pursuant to action of the
3 Workers' Compensation Commission, a determination of disability by
4 the United States Social Security Administration, a determination of
5 disability by a state or local pension system review board, or a
6 determination by a physician that a person has a physical or mental
7 condition that substantially impairs the ability of the person to
8 conduct a business or to sustain employment;

9 3. "Elderly" means a person who has attained the age of sixty-
10 five (65) years at the time the application for sales tax relief is
11 submitted;

12 4. "Gross household income" means the gross amount of income of
13 every type, regardless of the source, received by all persons
14 occupying the same household, whether such income was taxable or
15 nontaxable for federal or state income tax purposes, including
16 pensions, annuities, federal Social Security, unemployment payments,
17 veterans' disability compensation, public assistance payments,
18 alimony, support money, workers' compensation, loss-of-time
19 insurance payments, capital gains, and any other type of income
20 received; and excluding gifts; and

21 5. "Qualifying person" means an Oklahoma resident, whether
22 single or married, who is an adult.

23 B. For the period beginning on the effective date of this act,
24 and ending December 31, 2024, a qualifying person may receive a

1 credit against the tax imposed pursuant to Section 2355 of Title 68
2 of the Oklahoma Statutes based upon the gross household income
3 according to the provisions of this section:

4 1. A credit of One Hundred Eighty Dollars (\$180.00) shall be
5 provided to a single person whose gross household income does not
6 exceed Thirty Thousand Dollars (\$30,000.00);

7 2. A credit of Ninety Dollars (\$90.00) shall be provided to a
8 single person whose gross household income does not exceed Thirty-
9 five Thousand Dollars (\$35,000.00);

10 3. A credit of One Hundred Eighty Dollars (\$180.00) shall be
11 provided to an adult who is elderly, is disabled, or who claims one
12 or more dependents for purposes of filing his or her federal income
13 tax return if their gross household income does not exceed Forty
14 Thousand Dollars (\$40,000.00);

15 4. A credit of One Hundred Thirty-five Dollars (\$135.00) shall
16 be provided to an adult who is elderly, is disabled, or who claims
17 one or more dependents for purposes of filing his or her federal
18 income tax return if their gross household income does not exceed
19 Forty-five Thousand Dollars (\$45,000.00);

20 5. A credit of Ninety Dollars (\$90.00) shall be provided to an
21 adult who is elderly, is disabled, or who claims one or more
22 dependents for purposes of filing his or her federal income tax
23 return if their gross household income does not exceed Fifty
24 Thousand Dollars (\$50,000.00); or

1 6. A credit of Forty-five Dollars (\$45.00) shall be provided to
2 an adult who is elderly, is disabled, or who claims one or more
3 dependents for purposes of filing his or her federal income tax
4 return if their gross household income does not exceed Fifty-five
5 Thousand Dollars (\$55,000.00).

6 C. The provisions of this section shall cease to be operative
7 for calendar year 2025 and every calendar year thereafter.

8 SECTION 2. AMENDATORY 68 O.S. 2021, Section 5011, is
9 amended to read as follows:

10 Section 5011. A. Except as otherwise provided by this section,
11 ~~beginning with the for calendar year 1990 and for each calendar year~~
12 ~~through 1998, and for calendar year 2003~~ years 2022, 2023, and 2024,
13 any individual who is a resident of and is domiciled in this state
14 during the entire calendar year for which the filing is made and
15 whose gross household income for such year does not exceed ~~Twelve~~
16 ~~Thousand Dollars (\$12,000.00)~~ the applicable amounts as prescribed
17 by Section 1 of this act may file a claim for sales tax relief.

18 B. ~~For calendar years 1999, 2002 and 2004, any individual who~~
19 ~~is a resident of and is domiciled in this state during the entire~~
20 ~~calendar year for which the filing is made may file a claim for~~
21 ~~sales tax relief if the gross household income for such year does~~
22 ~~not exceed the following amounts:~~

23 1. ~~For an individual not subject to the provisions of paragraph~~
24 ~~2 of this subsection and claiming no allowable personal exemption~~

1 ~~other than the allowable personal exemption for that individual or~~
2 ~~the spouse of that individual, Fifteen Thousand Dollars~~
3 ~~(\$15,000.00); or~~

4 ~~2. For an individual claiming one or more allowable personal~~
5 ~~exemptions other than the allowable personal exemption for that~~
6 ~~individual or the spouse of that individual, an individual with a~~
7 ~~physical disability constituting a substantial handicap to~~
8 ~~employment, or an individual who is sixty five (65) years of age or~~
9 ~~older at the close of the tax year, Thirty Thousand Dollars~~
10 ~~(\$30,000.00).~~

11 ~~C. For calendar years 2000, 2001, 2005~~ year 2025 ~~and following,~~
12 ~~an individual who is a resident of and is domiciled in this state~~
13 ~~during the entire calendar year for which the filing is made may~~
14 ~~file a claim for sales tax relief if the gross household income for~~
15 ~~such year does not exceed the following amounts:~~

16 1. For an individual not subject to the provisions of paragraph
17 2 of this subsection and claiming no allowable personal exemption
18 other than the allowable personal exemption for that individual or
19 the spouse of that individual, Twenty Thousand Dollars (\$20,000.00);
20 or

21 2. For an individual claiming one or more allowable personal
22 exemptions other than the allowable personal exemption for that
23 individual or the spouse of that individual, an individual with a
24 physical disability constituting a substantial handicap to

1 employment, or an individual who is sixty-five (65) years of age or
2 older at the close of the tax year, Fifty Thousand Dollars
3 (\$50,000.00).

4 ~~D.~~ C. The amount of the claim filed pursuant to the Sales Tax
5 Relief Act shall be Forty Dollars (\$40.00) multiplied by the number
6 of allowable personal exemptions. As used in the Sales Tax Relief
7 Act, "allowable personal exemption" means a personal exemption to
8 which the taxpayer would be entitled pursuant to the provisions of
9 the Oklahoma Income Tax Act, except for:

10 1. The exemptions such taxpayer would be entitled to pursuant
11 to Section 2358 of this title if such taxpayer or spouse is blind or
12 sixty-five (65) years of age or older at the close of the tax year;

13 2. An exemption for a person convicted of a felony if during
14 all or any part of the calendar year for which the claim is filed
15 such person was an inmate in the custody of the Department of
16 Corrections; or

17 3. An exemption for a person if during all or any part of the
18 calendar year for which the claim is filed such person resided
19 outside of this state.

20 ~~E.~~ D. A person convicted of a felony shall not be permitted to
21 file a claim for sales tax relief pursuant to the provisions of
22 Sections 5010 through 5016 of this title for the period of time
23 during which the person is an inmate in the custody of the
24 Department of Corrections. Such period of time shall include the

1 entire calendar year if the person is in the custody of the
2 Department of Corrections during any part of the calendar year. The
3 provisions of this subsection shall not prohibit all other members
4 of the household of an inmate from filing a claim based upon the
5 personal exemptions to which the household members would be entitled
6 pursuant to the provisions of the Oklahoma Income Tax Act.

7 ~~F.~~ E. The Department of Corrections shall withhold up to fifty
8 percent (50%) of any money inmates receive for claims made pursuant
9 to the Sales Tax Relief Act prior to September 1, 1991, for costs of
10 incarceration.

11 ~~G.~~ F. For purposes of Section 139.105 of Title 17 of the
12 Oklahoma Statutes, the gross household income of any individual who
13 may file a claim for sales tax relief shall not exceed Twelve
14 Thousand Dollars (\$12,000.00).

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

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20 COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 03/03/2022 - DO PASS,
21 As Amended and Coauthored.
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