

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 HOUSE BILL 2693

By: Hays

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5
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68
8 O.S. 2021, Sections 1203 and 1204, which relate to
9 computation of franchise tax liabilities; modifying
10 rate of tax; providing for reduction of rate to zero
11 for specified tax years; providing an effective date;
12 and declaring an emergency.

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

15 SECTION 1. AMENDATORY 68 O.S. 2021, Section 1203, is
16 amended to read as follows:

17 Section 1203. There is hereby levied and assessed a franchise
18 or excise tax upon every corporation, association, joint-stock
19 company and business trust organized under the laws of this state,
20 equal to:

21 1. One Dollar and twenty-five cents (\$1.25) for each One
22 Thousand Dollars (\$1,000.00) or fraction thereof of the amount of
23 capital used, invested or employed in the exercise of any power,
24

1 privilege or right inuring to such organization, within this state
2 for the period ending June 30, 2023; it being the

3 2. One Dollar (\$1.00) for each One Thousand Dollars (\$1,000.00)
4 or fraction thereof of the amount of capital used, invested or
5 employed within this state for the period ending June 30, 2024;

6 3. Seventy-five cents (\$0.75) for each One Thousand Dollars
7 (\$1,000.00) or fraction thereof of the amount of capital used,
8 invested or employed within this state for the period ending June
9 30, 2025;

10 4. Fifty cents (\$0.50) for each One Thousand Dollars
11 (\$1,000.00) or fraction thereof of the amount of capital used,
12 invested or employed within this state for the period ending June
13 30, 2026;

14 5. Twenty-five cents (\$0.25) for each One Thousand Dollars
15 (\$1,000.00) or fraction thereof of the amount of capital used,
16 invested or employed within this state for the period ending June
17 30, 2027; and

18 6. Zero Dollars (\$0.00) for the period ending June 30, 2028,
19 and for all future years.

20 B. The purpose of this section is to require the payment to the
21 State of Oklahoma this tax for the right granted by the laws of this
22 state to exist as such organization and enjoy, under the protection
23 of the laws of this state, the powers, rights, privileges and
24 immunities derived from the state by reason of the form of such

1 existence according to the provisions of subsection A of this
2 section.

3 SECTION 2. AMENDATORY 68 O.S. 2021, Section 1204, is
4 amended to read as follows:

5 Section 1204. A. There is hereby levied and assessed upon
6 every corporation, association, joint-stock company and business
7 trust, organized and existing by virtue of the laws of some other
8 state, territory or country, now or hereafter doing business in this
9 state, as hereinbefore defined, a franchise or excise tax equal to:

10 1. One Dollar and twenty-five cents (\$1.25) for each One
11 Thousand Dollars (\$1,000.00) or fraction thereof of the amount of
12 capital used, invested or employed within this state for the period
13 ending June 30, 2023; ~~it being the~~

14 2. One Dollar (\$1.00) for each One Thousand Dollars (\$1,000.00)
15 or fraction thereof of the amount of capital used, invested or
16 employed within this state for the period ending June 30, 2024;

17 3. Seventy-five cents (\$0.75) for each One Thousand Dollars
18 (\$1,000.00) or fraction thereof of the amount of capital used,
19 invested or employed within this state for the period ending June
20 30, 2025;

21 4. Fifty cents (\$0.50) for each One Thousand Dollars
22 (\$1,000.00) or fraction thereof of the amount of capital used,
23 invested or employed within this state for the period ending June
24 30, 2026;

1 5. Twenty-five cents (\$0.25) for each One Thousand Dollars
2 (\$1,000.00) or fraction thereof of the amount of capital used,
3 invested or employed within this state for the period ending June
4 30, 2027; and

5 6. Zero Dollars (\$0.00) for the period ending June 30, 2028,
6 and for all future years.

7 B. The purpose of this section is to require the payment of a
8 tax by all organizations not organized under the laws of this state,
9 measured by the amount of capital, or its equivalent, used, invested
10 or employed in this state for which such organization receives the
11 benefit and protection of the government and laws of the state
12 according to the provisions of subsection A of this section.

13 SECTION 3. This act shall become effective July 1, 2023.

14 SECTION 4. It being immediately necessary for the preservation
15 of the public peace, health or safety, an emergency is hereby
16 declared to exist, by reason whereof this act shall take effect and
17 be in full force from and after its passage and approval.

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19 59-1-6639 MAH 01/12/23