



1 B. In addition to all other remedies provided by law for the  
2 collection of unpaid taxes, the Oklahoma Tax Commission may close  
3 the business of a noncompliant taxpayer, subject to the  
4 administrative and judicial appeal procedures provided in this  
5 section, if the noncompliant taxpayer, within any consecutive  
6 twenty-four-month period, fails to timely file three reports or  
7 timely remit tax due for any three (3) months, as required under the  
8 provisions of any tax law.

9 C. 1. The Tax Commission shall give notice to a noncompliant  
10 taxpayer that the third delinquency in reporting or remitting tax in  
11 any consecutive twenty-four-month period will result in the closure  
12 of the business. The notice must be in writing and delivered to the  
13 noncompliant taxpayer by the United States Postal Service or by hand  
14 delivery.

15 2. If the noncompliant taxpayer has a third delinquency in  
16 reporting or remitting tax in any consecutive twenty-four-month  
17 period after the issuance of the notice provided in paragraph 1 of  
18 this subsection, the Tax Commission shall notify the noncompliant  
19 taxpayer by certified mail or by hand delivery that the business  
20 will be closed within five (5) business days from the date of the  
21 delivery or attempted delivery of the notice unless the noncompliant  
22 taxpayer makes arrangements with the Tax Commission to satisfy the  
23 tax delinquency. When the fifth day falls on a Saturday, Sunday, or  
24 legal holiday, the performance of the act is considered timely if it

1 is performed on the next succeeding business day that is not a  
2 Saturday, Sunday, or legal holiday.

3 D. A noncompliant taxpayer may avoid closure of the business  
4 by:

5 1. Filing all delinquent reports and remitting the delinquent  
6 tax including any interest and penalty; or

7 2. a. Entering into a payment agreement approved by the Tax  
8 Commission to satisfy the tax delinquency, and

9 b. Filing all required reports and remitting all taxes  
10 due for a consecutive twenty-four-month period.

11 E. The decision to close the business of a noncompliant  
12 taxpayer will be final and absolute if the noncompliant taxpayer  
13 fails to request an administrative hearing as provided in subsection  
14 F of this section.

15 F. 1. A noncompliant taxpayer may request an administrative  
16 hearing concerning the decision of the Tax Commission to close the  
17 business of a noncompliant taxpayer by filing with the Tax  
18 Commission a written protest, signed by the noncompliant taxpayer or  
19 the authorized agent of the noncompliant taxpayer, stating the  
20 reasons for opposing the closure of the business and requesting an  
21 administrative hearing. The protest shall be timely if filed within  
22 five (5) business days after the delivery or attempted delivery of  
23 the notice required by paragraph 2 of subsection C of this section.

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1           2. A noncompliant taxpayer may request that an administrative  
2 hearing be held in person, by telephone, upon written documents  
3 furnished by the noncompliant taxpayer, or upon written documents  
4 and any evidence produced by the noncompliant taxpayer at an  
5 administrative hearing. The Tax Commission shall have the  
6 discretion to determine whether an administrative hearing at which  
7 testimony is to be presented will be conducted in person or by  
8 telephone. A noncompliant taxpayer who requests an administrative  
9 hearing based upon written documents is not entitled to any other  
10 administrative hearing prior to the date a decision is rendered by  
11 the hearing officer.

12           3. The administrative hearing will be conducted by a hearing  
13 officer appointed by the Tax Commission. The hearing officer will  
14 set the time and place for a hearing and will give the noncompliant  
15 taxpayer notice of the hearing. The noncompliant taxpayer may be  
16 represented by an authorized representative and may present evidence  
17 in support of the position of the noncompliant taxpayer.

18           4. The administrative hearing will be held within fourteen (14)  
19 calendar days of receipt by the Tax Commission of the request for  
20 hearing, as required in paragraph 1 of this subsection. The Tax  
21 Commission shall give the noncompliant taxpayer at least five (5)  
22 days' notice of the hearing.

23           G. The defense or defenses to the closure of a business under  
24 this section include written proof that the noncompliant taxpayer:

1 1. Filed all delinquent returns and paid the delinquent tax due  
2 including interest and penalty; or

3 2. a. Has entered into a written payment agreement, approved  
4 by the Tax Commission prior to the hearing, to satisfy  
5 the tax delinquency, and

6 b. Has had no more than three (3) instances of untimely  
7 filed reports or late tax remittances during a  
8 consecutive twenty-four-month period.

9 H. 1. The decision of the hearing officer must be rendered in  
10 writing with copies delivered to the noncompliant taxpayer by the  
11 United States Postal Service or by hand delivery.

12 2. If the decision of the hearing officer is to affirm the  
13 closure of the business, the decision shall be submitted in writing  
14 and delivered by the United States Postal Service or by hand to the  
15 noncompliant taxpayer.

16 3. The noncompliant taxpayer may seek judicial relief from the  
17 decision of a hearing officer as provided in Section 225 of Title 68  
18 of the Oklahoma Statutes for relief from a final order of the Tax  
19 Commission.

20 I. The procedures established by this section are the sole  
21 methods for seeking relief from a written decision to close the  
22 business of a noncompliant taxpayer.

23 J. After being given notice of an order of closure of a  
24 business pursuant to this section, it shall be unlawful for any

1 person to continue to operate the business. If a person continues  
2 or threatens to continue the unlawful operation of the business  
3 after having received proper notice of the closure, upon complaint  
4 of the Tax Commission, the person shall be enjoined from further  
5 operating or conducting the unlawful business. In all cases where  
6 injunction proceedings are brought under this subsection, the Tax  
7 Commission shall not be required to furnish bond. Where notice of  
8 closure has been given in accordance with the provisions of this  
9 section, no further notice shall be required before the issuance of  
10 a temporary restraining order.

11 K. If a noncompliant taxpayer fails to timely seek  
12 administrative or judicial review of a business closure decision  
13 pursuant to this section, or if the business closure decision is  
14 affirmed after administrative or judicial review, the Tax Commission  
15 shall affix a written notice to all entrances of the business that:

16 1. Identifies the business as being subject to a business  
17 closure order; and

18 2. States that the business is prohibited from further  
19 operation.

20 SECTION 2. This act shall become effective November 1, 2025.

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22 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
23 04/17/2025 - DO PASS.

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