

# An Act

ENROLLED HOUSE  
BILL NO. 1427

By: Hilbert, Ownbey and Newton  
of the House

and

Leewright, Kidd and  
Bergstrom of the Senate

An Act relating to revenue and taxation; creating the Out-of-State Tax Collections Enforcement Act of 2017; stating purposes; authorizing the establishment and maintenance of a specified division within the Oklahoma Tax Commission; authorizing employment of specified persons for specified functions; defining certain term; requiring submittal of certain report; providing for codification; and providing an effective date.

SUBJECT: Out-of-State Tax Collections Enforcement Act of 2017

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 120 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. This act shall be known and may be cited as the "Out-of-State Tax Collections Enforcement Act of 2017".

B. For the purpose of collecting taxes owed to this state, the Oklahoma Tax Commission may establish and maintain a division to be known as the "Out-of-State Tax Collections Enforcement Division". Pursuant to Section 262 of Title 68 of the Oklahoma Statutes, the Tax Commission may contract with out-of-state private auditors or audit firms and may require any person performing an audit to be first approved by the Tax Commission.

C. The Tax Commission may employ full-time, unclassified, out-of-state tax auditors or full-time-equivalent contracted auditors to staff the Division who shall perform audit functions related to enhancing:

1. Sales and use tax collections related to sales or transactions involving residents of Oklahoma and out-of-state vendors with a nexus to the State of Oklahoma; and

2. Collections of any other unpaid taxes owed the State of Oklahoma by out-of-state individuals, firms and corporations.

D. For purposes of this section, the term "audit function" includes but is not limited to the auditing of the books of individuals, firms and corporations which the Tax Commission believes may owe the State of Oklahoma additional tax monies.

E. The Tax Commission shall annually submit a report to the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives listing the number of individuals, firms and corporations audited, the types of taxes audited, the amount of taxes assessed and the amount of taxes collected as the result of such audits.

SECTION 2. This act shall become effective November 1, 2017.

Passed the House of Representatives the 3rd day of May, 2017.

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Presiding Officer of the House  
of Representatives

Passed the Senate the 24th day of April, 2017.

\_\_\_\_\_  
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_

Approved by the Governor of the State of Oklahoma this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_