

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 HOUSE BILL 3205

By: Sears and Casey of the
House

4 and

5 Jolley and Treat of the
6 Senate

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10 AS INTRODUCED

11 An Act relating to revenue and taxation; amending 68
12 O.S. 2011, Section 227, as amended by Section 2,
13 Chapter 274, O.S.L. 2014 (68 O.S. Supp. 2015, Section
14 227), which relates to refund claims for state taxes;
15 modifying period of limitation with respect to sales
16 and use tax refund claims; providing an effective
17 date; and declaring an emergency.

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

19 SECTION 1. AMENDATORY 68 O.S. 2011, Section 227, as
20 amended by Section 2, Chapter 274, O.S.L. 2014 (68 O.S. Supp. 2015,
21 Section 227), is amended to read as follows:

22 Section 227. (a) Any taxpayer who has paid to the State of
23 Oklahoma, through error of fact, or computation, or
24 misinterpretation of law, any tax collected by the Tax Commission

1 may, as hereinafter provided, be refunded the amount of such tax so
2 erroneously paid, without interest.

3 (b) Any (1) Except as otherwise provided by division (2) of
4 this subsection, any taxpayer who has so paid any such tax may,
5 within three (3) years from the date of payment thereof file with
6 the Tax Commission a verified claim for refund of such tax so
7 erroneously paid. The Tax Commission may accept an amended ~~sales~~
8 ~~tax~~, withholding tax or other report or return as a verified claim
9 for refund if the amended report or return establishes a liability
10 less than the original report or return previously filed.

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

21 (c) Said claim so filed with the Tax Commission, except for an
22 amended report or return, shall specify the name of the taxpayer,
23 the time when and period for which said tax was paid, the nature and
24 kind of tax so paid, the amount of the tax which said taxpayer

1 claimed was erroneously paid, the grounds upon which a refund is
2 sought, and such other information or data relative to such payment
3 as may be necessary to an adjustment thereof by the Tax Commission.
4 It shall be the duty of the Commission to determine what amount of
5 refund, if any, is due as soon as practicable after such claim has
6 been filed and advise the taxpayer about the correctness of his
7 claim and the claim for refund shall be approved or denied by
8 written notice to the taxpayer.

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

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

21 (f) The provisions of this section shall not apply: (1) to
22 refunds of income tax erroneously paid, refunds of which tax shall
23 be payable out of the income tax adjustment fund as provided by law;
24 (2) to estate tax because the payment of such tax is covered by an

1 order of the Tax Commission and the estate and interested parties
2 are given notice that Commission's position and computation of the
3 tax will become final unless they protest and resist the payment
4 thereof as provided by statute; nor, (3) in any case where the tax
5 was paid after an assessment thereof was made by the Tax Commission
6 which assessment became final under the law.

7 SECTION 2. This act shall become effective July 1, 2016.

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

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