

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 HOUSE JOINT
4 RESOLUTION 1023

By: McCullough

5
6 AS INTRODUCED

7 A Joint Resolution directing the Secretary of State
8 to refer to the people for their approval or
9 rejection a proposed amendment to the Constitution of
10 the State of Oklahoma by adding a new Section 2A to
11 Article X; requiring reduction of certain income tax
12 rates applicable to individuals; providing for
13 graduated reduction in rate of income tax rate
14 applicable to individuals; requiring certain income
15 tax rate applicable to corporations; providing for
16 graduated reduction in rate of income tax applicable
17 to corporations; providing for elimination of income
18 tax exemptions, income tax deductions and income tax
19 credits; requiring supermajority approval for certain
20 legislative measures related to income tax in
21 legislative sessions; providing ballot title; and
22 directing filing.
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25 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE
26 1ST SESSION OF THE 55TH OKLAHOMA LEGISLATURE:

27 SECTION 1. The Secretary of State shall refer to the people for
28 their approval or rejection, as and in the manner provided by law,
29 the following proposed amendment to the Constitution of the State of
30 Oklahoma by adding a new Section 2A to Article X thereof, to read as
31 follows:
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1 A. Effective January 1, 2017, the rate of income tax imposed
2 upon individual persons, regardless of filing status, shall be
3 reduced by one percentage point each taxable year until such rate
4 equals three percent (3%) with respect to the highest rate of tax
5 imposed upon taxable income pursuant to the law in effect as of
6 January 1, 2017. For the taxable years beginning January 1, 2017,
7 and ending December 31, 2019, all rates of income tax imposed upon
8 the taxable income of individual persons which are less than the top
9 marginal income tax rate and imposed upon specific amounts of
10 taxable income shall be reduced by thirty-three and one-third
11 percent (33 1/3%) each year until such rates equal zero (0) as of
12 January 1, 2020. Any statutory provision in conflict with the
13 provisions of this subsection shall be superseded.

14 B. Effective January 1, 2017, the rate of income tax imposed
15 upon corporations shall be five percent (5.0%).

16 C. Effective January 1, 2018, the rate of income tax imposed
17 upon corporations shall be four percent (4.0%).

18 D. Effective January 1, 2019, the rate of income tax imposed
19 upon corporations shall be three percent (3.0%).

20 E. Effective January 1, 2017, any exemption, deduction, tax
21 credit or other method for the reduction of the base amount upon
22 which the state income tax is levied shall be deemed repealed with
23 respect to individuals and with respect to corporations.

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1 F. Effective January 1, 2017, any legislative measure
2 considered by the Legislature for the enactment of an income tax
3 exemption, income tax deduction, income tax credit or any other
4 method by which the income tax liability of an individual or
5 corporation is to be reduced shall require the approval of two-
6 thirds (2/3) of those persons elected to and constituting the
7 Oklahoma House of Representatives and the Oklahoma State Senate on
8 the vote for final passage of such legislative measure.

9 SECTION 2. The Ballot Title for the proposed Constitutional
10 amendment as set forth in SECTION 1 of this resolution shall be in
11 the following form:

12 BALLOT TITLE
13 Legislative Referendum No. _____ State Question No. _____

14 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

15 This measure amends the Oklahoma Constitution. It adds a new
16 Section 2A to Article 10. It would reduce the highest state
17 income tax rate for individuals to three percent (3%) over a
18 three-year period beginning January 1, 2017. It would reduce
19 other income tax rates used with specific amounts of income by
20 thirty-three and one-third percent (33 1/3%) each year for three
21 (3) years until those tax rates reached zero (0). It would
22 reduce the income tax rate imposed on corporations. It would
23 reduce that rate to five percent (5%), then to four percent (4%)
24 and finally to three percent (3%). These rates would be

1 effective for corporations on January 1, 2017, January 1, 2018,
2 and January 1, 2019. The income tax rate upon corporations
3 would then remain at three percent (3%). All income tax
4 exemptions, income tax deductions and income tax credits for
5 both individuals and corporations would be repealed effective
6 January 1, 2017. After January 1, 2017, any legislation to
7 enact an income tax exemption, income tax deduction or income
8 tax credit would require the approval of two-thirds (2/3) of
9 both the Oklahoma House of Representatives and the Oklahoma
10 State Senate.

11 SHALL THE PROPOSAL BE APPROVED?

12 FOR THE PROPOSAL - YES _____

13 AGAINST THE PROPOSAL - NO _____

14 SECTION 3. The Chief Clerk of the House of Representatives,
15 immediately after the passage of this resolution, shall prepare and
16 file one copy thereof, including the Ballot Title set forth in
17 SECTION 2 hereof, with the Secretary of State and one copy with the
18 Attorney General.

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