

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 HOUSE BILL 2478

By: McCall

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6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68
8 O.S. 2011, Section 238.1, which relates to state
9 licenses; modifying application to certain license
10 holders; and providing an effective date.

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

12 SECTION 1. AMENDATORY 68 O.S. 2011, Section 238.1, is
13 amended to read as follows:

14 Section 238.1 A. It is the intent of the Legislature that the
15 provisions of this section operate to provide for the collection of
16 income taxes due to the State of Oklahoma by persons holding state
17 licenses in a manner that will maximize flexibility for licensees to
18 pay any such taxes due while minimizing disruption to operations of
19 licensing entities. It is the further intent of the Legislature
20 that the Oklahoma Tax Commission allow at least six (6) months
21 notice to licensees pursuant to the provisions of subsection C of
22 this section prior to notification of noncompliance to a licensing
23 entity. Nothing in this section shall apply to a licensee who was
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1 not previously required to pay income tax or has moved to the state
2 within the past year.

3 B. Each licensing entity shall, on a date that allows the Tax
4 Commission to comply with the notice provisions of subsection A of
5 this section, provide to the Tax Commission a list of all its
6 licensees and such identifying information as may be required by the
7 Tax Commission. Such list and information shall be used by the Tax
8 Commission exclusively for the purpose of collection of income taxes
9 due to the State of Oklahoma. The provisions of any laws making
10 application information confidential shall not apply with respect to
11 information supplied to the Tax Commission pursuant to the
12 provisions of this section; provided, such information shall be
13 subject to the provisions of Section 205 of this title.

14 C. The Tax Commission shall notify any licensee who is not in
15 compliance with the income tax laws of this state. Such
16 notification shall include:

17 1. A statement that the licensee's license will not be renewed
18 or reissued until the taxpayer is deemed by the Tax Commission to be
19 in compliance with the income tax laws of this state;

20 2. The reasons that the taxpayer is considered to be out of
21 compliance with the income tax laws of this state, including a
22 statement of the amount of any tax, penalties and interest due or a
23 list of the tax years for which income tax returns have not been
24 filed as required by law;

1 3. An explanation of the rights of the taxpayer and the
2 procedures which must be followed by the taxpayer in order to come
3 into compliance with the income tax laws of this state; and

4 4. Such other information as may be deemed necessary by the Tax
5 Commission.

6 D. A licensee who has entered into and is abiding by a payment
7 agreement, or who has requested relief as an innocent spouse which
8 is pending or has been granted, shall be deemed to be in compliance
9 with the state income tax laws for purposes of this section.

10 E. If the Tax Commission notifies a licensee who is not in
11 compliance with the income tax laws of this state as required in
12 this section and such licensee does not respond to such notification
13 or fails to come into compliance with the income tax laws of this
14 state after an assessment has been made final or after the Tax
15 Commission determines that every reasonable effort has been made to
16 assist the licensee to come into compliance with the income tax laws
17 of this state, the Tax Commission, notwithstanding the provisions of
18 Section 205 of this title, shall so notify the licensing entity,
19 which shall not renew or reissue the licensee's license at such time
20 as it is subject to renewal or thereafter and shall notify the
21 applicant of the reason for nonrenewal or failure to reissue. If a
22 licensee who has been previously reported by the Tax Commission to a
23 licensing entity as being out of compliance comes into compliance,
24 the Tax Commission shall immediately notify the licensing entity. A

1 licensing entity shall not be held liable for any action with
2 respect to a state license pursuant to the provisions of this
3 section.

4 F. If the Oklahoma Bar Association receives notice that a
5 licensed attorney is not in compliance with the income tax laws of
6 this state as provided in this section, the Bar Association shall
7 begin proceedings by which the attorney may be suspended pursuant to
8 ~~Rule~~ Rules Governing Disciplinary Proceedings. If suspended, the
9 attorney may be reinstated pursuant to reinstatement procedures as
10 provided in the Rules Governing Disciplinary Proceedings.

11 G. The Tax Commission shall promulgate rules for the
12 implementation of the provisions of this section.

13 H. As used in this section:

14 1. "State license" means a license, certificate, registration,
15 permit, approval or other similar document issued by a licensing
16 entity granting to an individual or business a right or privilege to
17 engage in a profession, occupation or business in this state.

18 "State license" does not include an inactive license issued by a
19 licensing entity which does not grant an individual the right to
20 engage in a profession, occupation or business in this state;

21 2. "Licensing entity" means a bureau, department, division,
22 board, agency, commission or other entity of this state or of a
23 municipality in this state that issues a state license; and

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1 3. "Reissue" means to issue a state license to an individual
2 who has been in possession of an equivalent license issued by the
3 same licensing entity in the previous twelve (12) months.

4 SECTION 2. This act shall become effective November 1, 2019.

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