

1 **SENATE FLOOR VERSION**

2 April 8, 2024

3 ENGROSSED HOUSE  
4 BILL NO. 4044

By: McCall of the House

and

Treat of the Senate

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8 An Act relating to revenue and taxation; providing  
9 procedures for compliance with certain tax laws;  
10 authorizing waiver of penalty and interest;  
11 specifying tax types with respect to which wavier  
12 allowable; imposing limitations and conditions on  
13 taxpayer participation; prescribing procedures;  
14 providing for administrative rules; restricting  
15 procedures based upon status as appointed or elected  
16 official; authorizing utilization of procedures  
17 notwithstanding statutory provisions; providing for  
18 codification; and providing an effective date.

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

20 SECTION 1. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 216.6 of Title 68, unless there  
22 is created a duplication in numbering, reads as follows:

23 A. For the purpose of encouraging the voluntary disclosure and  
24 payment of taxes owed to this state, the Oklahoma Tax Commission is  
hereby authorized and directed to establish a Voluntary Disclosure  
Initiative for eligible taxes, as provided in this section. A  
taxpayer shall be entitled to a waiver of penalty, interest and  
other collection fees due on eligible taxes if the taxpayer

1 voluntarily files delinquent tax returns and pays the taxes due  
2 during the disclosure initiative. The time in which a voluntary  
3 payment of tax liability may be made or the taxpayer may enter into  
4 a payment program acceptable to the Tax Commission for payment of  
5 the unpaid taxes in full in the manner and time established in a  
6 written payment program agreement between the Tax Commission and the  
7 taxpayer under the Voluntary Disclosure Initiative shall be  
8 applicable with respect to the enumerated tax types in this section  
9 for all periods beginning January 1, 2020, and ending December 31,  
10 2024 and the taxpayer shall be required to make application to the  
11 Tax Commission during the period beginning January 1, 2025, and  
12 ending December 31, 2025.

13 B. Upon payment of the eligible taxes under the Voluntary  
14 Disclosure Initiative established, the Tax Commission shall abate  
15 and not seek to collect any interest, penalties or collection fees  
16 that would otherwise be applicable.

17 C. As used in this section, "eligible taxes" shall include the  
18 following taxes that were due and payable for the tax period or  
19 periods prescribed by subsection A of this section before entering  
20 into an agreement as provided in the initiative:

21 1. Mixed beverage tax levied pursuant to Section 576 of Title  
22 37 of the Oklahoma Statutes;

23 2. Gasoline and diesel tax levied pursuant to Section 500.4 of  
24 Title 68 of the Oklahoma Statutes;

1 3. Gross production and petroleum excise tax levied pursuant to  
2 Sections 1001, 1101 and 1102 of Title 68 of the Oklahoma Statutes;

3 4. Sales tax levied pursuant to Section 1354 of Title 68 of the  
4 Oklahoma Statutes;

5 5. Use tax levied pursuant to Section 1402 of Title 68 of the  
6 Oklahoma Statutes;

7 6. Income tax levied pursuant to Section 2355 of Title 68 of  
8 the Oklahoma Statutes; and

9 7. Withholding tax levied pursuant to Section 2385.2 of Title  
10 68 of the Oklahoma Statutes.

11 D. To be eligible to participate in this initiative, taxpayers  
12 must:

13 1. Not have collected taxes from others, such as sales and use  
14 taxes or payroll taxes, and not reported those taxes; and

15 2. Not have, within the preceding three (3) years, entered into  
16 a voluntary disclosure agreement for the type of tax owed.

17 E. If the Tax Commission agrees with the proposed terms for  
18 payment of the principal amount of tax due and owing, the penalties  
19 and interest otherwise imposed by law upon the principal amount  
20 shall be waived by operation of law and no further action by the Tax  
21 Commission or by the taxpayer shall be required for the waiver of  
22 such penalty and applicable interest.

23 F. The Tax Commission shall limit the period for which  
24 additional taxes may be assessed to three (3) taxable years for

1 annually filed taxes or thirty-six (36) months for taxes that do not  
2 have an annual filing frequency.

3 G. Taxpayers who meet all of the qualifications specified in  
4 subsection D of this section, except those who have collected taxes  
5 from others, such as sales and use taxes or payroll taxes, and not  
6 reported those taxes, may enter into a modified voluntary disclosure  
7 agreement.

8 H. The provisions of a modified voluntary disclosure agreement  
9 shall be the same as a voluntary disclosure agreement as specified  
10 in subsection E of this section; provided, the waiver of interest  
11 shall not apply except as may be optionally granted at the  
12 discretion of the Tax Commission, and the period for which taxes  
13 must be reported and remitted or assessed is extended beyond the  
14 three-year or thirty-six-month period provided in subsection F of  
15 this section to include all periods in which tax has been collected  
16 but not remitted.

17 I. The waiver of penalty and interest provided herein is fully  
18 effective provided taxpayer continues payment or collection and  
19 remittance of applicable taxes, as required by law, for a period of  
20 one (1) year after the tax period(s) for which taxes were paid  
21 pursuant to this initiative.

22 J. The Tax Commission is authorized to expend necessary  
23 available funds, including contracting with third parties, to  
24 publicly advertise, assist in the collection of eligible taxes, and

1 administer the Voluntary Disclosure Initiative and shall be exempt  
2 from the provisions of Section 85.7 of Title 74 of the Oklahoma  
3 Statutes for the purpose of implementing this section.

4 K. The Tax Commission is authorized to promulgate rules  
5 detailing the terms and other conditions of this program.

6 L. The provisions of this section shall not be applicable to  
7 any person appointed to or elected to a public office.

8 M. A taxpayer may utilize the procedures described by this  
9 section notwithstanding the provisions of Section 216.5 of Title 68  
10 of the Oklahoma Statutes.

11 SECTION 2. This act shall become effective November 1, 2024.

12 COMMITTEE REPORT BY: COMMITTEE ON FINANCE  
13 April 8, 2024 - DO PASS

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