

**BILL SUMMARY**  
1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 2080</b>
<b>Version:</b>	<b>INT</b>
<b>Request Number:</b>	<b>6956</b>
<b>Author:</b>	<b>Mr. Speaker</b>
<b>Date:</b>	<b>2/15/2021</b>
<b>Impact:</b>	<b>Tax Commission:</b>

**Revenue Increase from Garnishments:**  
**Unknown**

**Revenue Decrease:**  
**Estimated FY-22: (\$2,700,000)**  
**FY-23: (\$4,000,000)**

**Research Analysis**

Pending

Prepared By: House Research Staff

**Fiscal Analysis**

Analysis from the Tax Commission:

HB 2080 proposes to amend 68 O.S. 238.1, which relates to state license holders and income tax compliance. The application for renewal or reissue of the license of a noncompliant taxpayer will no longer be denied for failure to remain in compliance with Oklahoma income tax laws. This measure provides that upon a hearing with notice the Oklahoma Tax Commission (OTC) may proceed by garnishment to collect delinquent income taxes and to collect any penalty or interest due and owing as a result of an income tax delinquency.<sup>1</sup>

Current law provides that the OTC notify a licensee that their license will not be renewed until said licensee is compliant with Oklahoma income tax law and requires the licensing entity to not reissue a state license until the licensee becomes state income tax compliant.

In FY20, the OTC notified approximately 56,000 licensees that compliance could not be determined. As a result of these efforts, the Tax Commission collected \$4 million from delinquent licensees in FY20.

The revenue impact of this proposal is a potential decrease of revenue of \$2.7 million in FY22 (November 2021 through June 2022) and \$4 million in FY22, and an unknown increase in revenue as a result of garnishments of noncompliant licensees.

<sup>1</sup> This measure also repeals language requiring the Oklahoma Bar Association to begin suspension proceedings against licensed attorneys who are not in compliance with the income tax laws in this state.

Prepared By: Mark Tygret

**Other Considerations**

None.

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