

1 STATE OF OKLAHOMA

2 2nd Session of the 56th Legislature (2018)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 HOUSE BILL NO. 3715

By: Wallace and Casey of the  
House

6 and

7 David and Fields of the  
8 Senate

9  
10 COMMITTEE SUBSTITUTE

11 An Act relating to revenue and taxation; amending 68  
12 O.S. 2011, Section 2368, as last amended by Section  
13 2, Chapter 235, O.S.L. 2017 (68 O.S. Supp. 2017,  
14 Section 2368), which relates to income tax returns  
15 and payment; and providing for certain installment  
16 payments based upon provisions of the Internal  
17 Revenue Code.

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

19 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2368, as  
20 last amended by Section 2, Chapter 235, O.S.L. 2017 (68 O.S. Supp.  
21 2017, Section 2368), is amended to read as follows:

22 Section 2368. A. For tax years ending before January 1, 2017,  
23 the following individuals shall each make a return stating  
24 specifically the taxable income and, where necessary, the adjusted

1 gross income and the adjustments provided in Section 2351 et seq. of  
2 this title to arrive at Oklahoma taxable income and, where  
3 necessary, Oklahoma adjusted gross income:

4 1. Every resident individual having a gross income, or gross  
5 receipts, for the taxable year in an amount sufficient to require  
6 the filing of a federal income tax return, if single, or if married  
7 and not living with husband or wife; and

8 2. Every resident individual having a gross income, or gross  
9 receipts, for the taxable year in an amount sufficient to require  
10 the filing of a federal income tax return, if married and living  
11 with husband or wife.

12 Provided however, every resident individual who does not meet  
13 the requirements sufficient to file a federal return, but has  
14 Oklahoma withholding, may file a claim for refund for all Oklahoma  
15 income taxes withheld and shall not be subject to the provisions of  
16 Section 2358 of this title; and

17 3. Every nonresident individual having Oklahoma gross income  
18 for the taxable year of One Thousand Dollars (\$1,000.00) or more.

19 B. If a husband and wife, living together, have an aggregate  
20 gross income or gross receipts, for such year, in an amount  
21 sufficient to require the filing of a federal income tax return:

22 1. Each shall make a return; or  
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1        2. The income of each shall be included in a single joint  
2 return, in which case the tax shall be computed on the aggregate net  
3 income.

4        C. 1. For tax years beginning on or after January 1, 2017,  
5 every resident individual whose gross income from both within and  
6 outside of Oklahoma exceeds the sum of the standard deduction and  
7 personal exemption allowed in Section 2358 of this title shall file  
8 an Oklahoma income tax return. Resident individuals not required to  
9 file a federal income tax return must attach a completed federal  
10 income tax return to the Oklahoma income tax return to show how  
11 adjusted gross income and deductions were determined, if their gross  
12 income is more than their adjusted gross income. The Oklahoma  
13 income tax return must show the taxable income and, where necessary,  
14 the adjusted gross income and modifications required by Section 2351  
15 et seq. of this title, and any other information the Tax Commission  
16 may require.

17        2. Every nonresident individual having Oklahoma gross income  
18 for the taxable year of One Thousand Dollars (\$1,000.00) or more  
19 shall file an Oklahoma income tax return.

20        D. If an individual is unable to make his or her own return,  
21 the return shall be made by a duly authorized agent or by the  
22 guardian or other person charged with the care of the person or  
23 property of such individual.

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1 E. Every partnership shall make a return for each taxable year,  
2 stating the taxable income and the adjustments to arrive at Oklahoma  
3 income. The Oklahoma return shall include a schedule showing the  
4 distribution to partners of the various items of income as per the  
5 federal return and the adjustments required by Section 2351 et seq.  
6 of this title for Oklahoma. The return shall be signed by one of  
7 the partners. If a partnership has elected pursuant to the  
8 provisions of Section 761 of the Internal Revenue Code, or any  
9 provision comparable thereto, not to file partnership income tax  
10 returns, that partnership shall not be required to file an Oklahoma  
11 partnership return. The Oklahoma Tax Commission shall promulgate  
12 rules for purposes of partnership returns when multiple partners  
13 would otherwise be required to file a nonresident return. The rules  
14 shall provide a specific number of partners in a partnership above  
15 which a composite return may be filed. The return shall be in such  
16 form as prescribed by the Tax Commission.

17 F. Every corporation shall make a return for each taxable year  
18 stating the taxable income and the adjustments provided in Section  
19 2351 et seq. of this title to arrive at Oklahoma taxable income. In  
20 addition, corporations electing subchapter S treatment pursuant to  
21 the Internal Revenue Code and Section 2351 et seq. of this title,  
22 shall include a schedule showing the distribution to shareholders of  
23 the various items of income as per the federal return and the  
24 adjustments for Oklahoma. All corporation returns shall be signed

1 by the president, vice president, or other principal officer and the  
2 corporate seal impressed. In cases where receivers, trustees in  
3 bankruptcy, or assignees are operating the property or business of  
4 corporations, such receivers, trustees, or assignees shall make a  
5 return for such corporations in the same manner and form as  
6 corporations are required to make returns. Any tax due on the basis  
7 of such returns made by receivers, trustees, or assignees shall be  
8 collected in the same manner as if collected from the corporations  
9 of whose business or property they have custody and control.

10 G. Every resident estate and trust shall make a return for each  
11 taxable year stating the taxable income and the adjustments to  
12 arrive at Oklahoma taxable income. Every nonresident estate or  
13 trust having Oklahoma taxable income as provided in Section 2362 of  
14 this title shall make a return for each taxable year stating the  
15 taxable income and the adjustments to arrive at Oklahoma taxable  
16 income. The Oklahoma return shall include a schedule showing the  
17 distribution to beneficiaries, if any, of the various items of  
18 income as per the federal return and the adjustments for Oklahoma.  
19 The fiduciary shall be responsible for making the return and the  
20 return shall be signed by the fiduciary, or by one fiduciary if  
21 there is more than one. The Tax Commission shall promulgate rules  
22 for purposes of estate and trust returns when multiple returns would  
23 otherwise be required of nonresident beneficiaries of estates or  
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1 trusts. The return shall be in such form as prescribed by the Tax  
2 Commission.

3 H. 1. All individual returns, except individual returns filed  
4 electronically, made on the basis of the calendar year shall be due  
5 on or before the fifteenth day of April following the close of the  
6 taxable year. Provided, if the Internal Revenue Code provides for a  
7 later due date for returns of individuals, the Tax Commission shall  
8 accept returns filed by individuals by such date and such returns  
9 shall be considered as timely filed.

10 2. All individual returns filed electronically, made on the  
11 basis of the calendar year, shall be due on or before the twentieth  
12 day of April following the close of the taxable year.

13 3. All individual returns made on the basis of a fiscal year  
14 shall be due on or before the fifteenth day of the fourth month  
15 following the close of the fiscal year.

16 4. For tax years beginning before January 1, 2016, calendar  
17 year corporation returns shall be due on or before the fifteenth day  
18 of March following the close of the taxable year. For tax years  
19 beginning on or after January 1, 2016, calendar year corporation  
20 returns shall be due no later than thirty (30) days after the due  
21 date established under the Internal Revenue Code.

22 5. For tax years beginning before January 1, 2016, fiscal year  
23 corporation returns shall be due on or before the fifteenth day of  
24 the third month following the close of the fiscal year. For tax

1 years beginning on or after January 1, 2016, fiscal year corporation  
2 returns shall be due no later than thirty (30) days after the due  
3 date established under the Internal Revenue Code.

4 6. For tax years beginning before January 1, 2016, partnership  
5 returns shall be due on or before the fifteenth day of April  
6 following the close of the taxable year. For tax years beginning on  
7 or after January 1, 2016, partnership returns shall be due no later  
8 than thirty (30) days after the due date established under the  
9 Internal Revenue Code.

10 7. All estate and trust returns made on the basis of the  
11 calendar year shall be due on or before the fifteenth day of April  
12 following the close of the taxable year. All estate and trust  
13 returns made on the basis of a fiscal year shall be due on or before  
14 the fifteenth day of the fourth month following the close of the  
15 fiscal year.

16 8. In the case of complete liquidation, or the dissolution, of  
17 a corporation the return of such corporation shall be made on or  
18 before the fifteenth day of the fourth month following the month in  
19 which the corporation is completely liquidated. A corporation which  
20 has terminated its business activities, satisfied or made provision  
21 for all of its liabilities or has distributed all of its assets,  
22 even though not formally dissolved under state law, is deemed to  
23 have completely liquidated for purposes of this subsection.

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1 I. Returns by individuals, fiduciaries, partnerships,  
2 corporations or any other person or entity required, or that may  
3 hereafter be required to file a return, shall contain or be verified  
4 by a written declaration that such return is made under the  
5 penalties of perjury and the fact that any individual's name is  
6 signed to a filed return shall be prima facie evidence for all  
7 purposes that the return was actually signed by that individual.  
8 Provided, the Tax Commission shall promulgate rules to provide  
9 procedures for verification of signatures on returns which are filed  
10 electronically.

11 J. Every return required by Section 2351 et seq. of this title  
12 shall be in such form as the Tax Commission may, from time to time,  
13 prescribe. Each return shall be filed with the Tax Commission and  
14 forms shall be furnished by the Tax Commission on application  
15 therefor, but failure to secure or receive the form of a return  
16 prescribed shall not relieve any taxpayer from the obligation of  
17 making and filing any return herein required.

18 K. For tax years ending after January 1, 2017, if a taxpayer  
19 elects to make installment payments of tax due pursuant to the  
20 provisions of subsection (h) of Section 965 of the Internal Revenue  
21 Code, 26 U.S.C., Section 965, such election may also apply to the  
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1 payment of Oklahoma income tax, attributable to the income upon  
2 which such installment payments are based.

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