

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                   STATE OF OKLAHOMA

3                   1st Session of the 60th Legislature (2025)

4 COMMITTEE SUBSTITUTE  
FOR  
5 HOUSE BILL NO. 2170

By: Pfeiffer of the House

6                   and

7                   **Rader** of the Senate

8

9                   COMMITTEE SUBSTITUTE

10                  An Act relating to revenue and taxation; amending 18  
11 O.S. 2021, Section 1142, which relates to filing  
12 fees; transferring duty to collect and enforce  
13 registered agent fee to the Secretary of State;  
14 amending 68 O.S. 2021, Section 118, as amended by  
15 Section 35, Chapter 310, O.S.L. 2023, 220, and 227,  
16 as last amended by Section 4, Chapter 113, O.S.L.  
17 2023, 228.1, 254, and 418 (68 O.S. Supp. 2024,  
18 Sections 118 and 227), which relate to state revenue  
19 administration; modifying references; modifying  
20 provisions related to certain revenue forecast;  
21 modifying provisions related to waiver or remission  
22 of interest and penalty; modifying provisions related  
23 to claims for refund of certain taxes; authorizing  
24 imposition of fee with respect to reissuance of tax  
refunds; modifying provisions related to computation  
of time period for administrative wage garnishment;  
modifying provisions related to certain  
administrative fines; amending 68 O.S. 2021, Section  
255.2, as amended by Section 6, Chapter 113, O.S.L.  
2023 (68 O.S. Supp. 2024, Section 255.2), which  
relates to enforcement of medical marijuana tax  
provisions; providing for retention of fee amount;  
amending 63 O.S. 2021, Section 426, as last amended  
by Section 1, Chapter 34, 1st Extraordinary Session,  
O.S.L. 2023 (63 O.S. Supp. 2024, Section 426), which  
relates to the Medical Marijuana Tax Fund; modifying  
provisions related to retention of fee amount;  
repealing 68 O.S. 2021, Section 205.5, which relates

1           to delinquent tax information; and providing an  
2           effective date.

3

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

5           SECTION 1.       AMENDATORY       18 O.S. 2021, Section 1142, is  
6 amended to read as follows:

7           Section 1142.   FILING AND OTHER SERVICE FEES

8           A.   The Secretary of State, for services performed in the Office  
9 of the Secretary of State and for expense of mailing, shall charge  
10 and collect the following fees:

11           1.   For any report, document, or other paper required to be  
12 filed in the Office of the Secretary of State, a fee of Twenty-five  
13 Dollars (\$25.00);

14           2.   For reservation of corporate name, a fee of Ten Dollars  
15 (\$10.00);

16           3.   For issuing extra copies of any certificate not requiring  
17 any extra filing of papers or documents of any kind, a fee of Ten  
18 Dollars (\$10.00);

19           4.   For issuing any other certificate, a fee of Ten Dollars  
20 (\$10.00);

21           5.   For receiving a filing or indexing the annual certificate of  
22 a foreign corporation doing business in this state, or both when  
23 filed together, a fee of Ten Dollars (\$10.00);

1       6. For preclearance of any document for filing, a fee of Fifty  
2 Dollars (\$50.00);

3       7. For each service of process made upon and accepted by the  
4 Secretary of State, a fee of Twenty-five Dollars (\$25.00);

5       8. For preparing and providing a report of a record search, a  
6 fee of Five Dollars (\$5.00);

7       9. For filing and issuing certificates of incorporation, the  
8 fee shall be one-tenth of one percent (1/10 of 1%) of the authorized  
9 capital stock of such corporation; provided, that the minimum fee  
10 for any such service shall be Fifty Dollars (\$50.00); provided  
11 further, that not-for-profit corporations shall only be required to  
12 pay a fee of Twenty-five Dollars (\$25.00);

13       10. For filing and issuing amended certificates of  
14 incorporation or certificates of restatement, reorganization,  
15 revival, extension or dissolution, the fee shall be Fifty Dollars  
16 (\$50.00); provided, however, not-for-profit corporations shall only  
17 be required to pay a fee of Twenty-five Dollars (\$25.00). If an  
18 amendment shall provide for an increase in authorized capital in  
19 excess of Fifty Thousand Dollars (\$50,000.00), the filing fee shall  
20 be an amount equal to one-tenth of one percent (1/10 of 1%) of such  
21 increase;

22       11. For filing and issuing certificates of consolidation, if  
23 the resulting corporation is a domestic corporation, or merger, if  
24 the surviving corporation is a domestic corporation, the fee shall

1 | be One Hundred Dollars (\$100.00); provided, however, not-for-profit  
2 | corporations shall only be required to pay a fee of Twenty-five  
3 | Dollars (\$25.00). If the merger or consolidation shall increase the  
4 | authorized capital of the surviving or resulting corporation in  
5 | excess of Fifty Thousand Dollars (\$50,000.00), the filing fee shall  
6 | be an amount equal to one-tenth of one percent (1/10 of 1%) of such  
7 | increase;

8 |       12. For filing and issuing a certificate of conversion,  
9 | whenever the resulting corporation is a domestic corporation, the  
10 | minimum fee shall be One Hundred Dollars (\$100.00); provided,  
11 | however, if the certificate of incorporation of the resulting  
12 | corporation authorizes capital stock in excess of Fifty Thousand  
13 | Dollars (\$50,000.00), the filing fee shall be an amount equal to  
14 | one-tenth of one percent (1/10 of 1%) of such authorized capital.  
15 | If the resulting domestic corporation is not for profit, it shall  
16 | only be required to pay a fee of Fifty Dollars (\$50.00);

17 |       13. For issuing a certificate to a foreign corporation to do  
18 | business in this state, and filing a certificate and statement of  
19 | such corporation required pursuant to the provisions of Section 1130  
20 | of this title, the fee shall be one-tenth of one percent (1/10 of  
21 | 1%) of the maximum amount of capital invested by such corporation in  
22 | the state at any time during the fiscal year such certificate is  
23 | issued to any such foreign corporation; provided, that the minimum  
24 | fee for any such service shall be Three Hundred Dollars (\$300.00);

1 provided further, that no such corporation shall be required to pay  
2 a fee on an amount in excess of its authorized capital;

3       14. For amended certificate of qualification of a foreign  
4 corporation, a fee of Two Hundred Dollars (\$200.00); provided,  
5 however, for a certificate solely reflecting a change of mailing  
6 address, a fee of Ten Dollars (\$10.00);

7       15. For filing a certificate of consolidation, if the resulting  
8 corporation is a foreign corporation, or merger, if the surviving  
9 corporation is a foreign corporation, the fee shall be One Hundred  
10 Dollars (\$100.00);

11       16. For filing a certificate of withdrawal of a foreign  
12 corporation doing business in this state, a fee of One Hundred  
13 Dollars (\$100.00);

14       17. Every foreign corporation on the anniversary of its  
15 qualification in this state each year, shall cause to be filed with  
16 the Secretary of State a certificate of its president, vice-  
17 president or other managing officers, in which shall be stated and  
18 shown the maximum amount of capital the corporation had invested in  
19 the state at any time subsequent to the issuance to it of a  
20 certificate to do business in this state and the amount of capital  
21 previously paid upon. If the amount of capital so invested as shown  
22 by said certificate exceeds the amount formerly paid upon, the  
23 corporation, at the time of filing said certificate, shall pay to  
24 the Secretary of State an additional fee equal to one-tenth of one

1 percent (1/10 of 1%) of the amount of such excess capital so  
2 invested by the corporation in the state; provided, that no such  
3 corporation shall be required to pay a filing fee on an amount in  
4 excess of its authorized capital, or to file the certificate  
5 provided for in this paragraph after it shall have paid a filing fee  
6 on its total authorized capitalization;

7       18. For acting as the registered agent, a fee of One Hundred  
8 Dollars (\$100.00) payable on the first day of July each year, and if  
9 not paid before the next ensuing September 1st, the ~~Oklahoma Tax~~  
10 ~~Commission Secretary of State~~ shall suspend and forfeit the charter  
11 of the delinquent corporation pursuant to the procedures prescribed  
12 in Section 1212 of Title 68 of the Oklahoma Statutes. The ~~Tax~~  
13 ~~Commission Secretary of State~~ shall collect and audit the registered  
14 agent fee authorized pursuant to this paragraph ~~in conjunction with~~  
15 ~~the collection and audit of franchise taxes as provided for in~~  
16 ~~Sections 1201 through 1214 of Title 68 of the Oklahoma Statutes.~~

17 All monies received by the ~~Tax Commission~~ Secretary of State  
18 pursuant to the provisions of this paragraph shall be paid to the  
19 State Treasurer for deposit in the General Revenue Fund;

20       19. For filing a change of address for any individual,  
21 corporation, limited liability company or limited partnership  
22 designated by a corporation as its registered agent for service of  
23 process, or for the change of name or the resignation of a  
24 registered agent, a fee of Twenty-five Dollars (\$25.00), for the

1 first forty corporations and Five Dollars (\$5.00) for each  
2 additional corporation within any bulk filing; and

3       20. For any response by means of telecommunications to  
4 inquiries regarding information required to be maintained by the  
5 Secretary of State, a fee of Five Dollars (\$5.00), unless otherwise  
6 provided. Fees collected pursuant to this paragraph shall be  
7 deposited in the Revolving Fund for the Office of the Secretary of  
8 State.

9       B. Except as otherwise provided by law, fees paid to the  
10 Secretary of State in accordance with the provisions of the Oklahoma  
11 General Corporation Act shall be properly accounted for and shall be  
12 paid monthly to the State Treasurer for deposit in the General  
13 Revenue Fund.

14       C. For any certificate supplied by the county clerk, such clerk  
15 shall receive a fee of One Dollar (\$1.00). Such fees shall be  
16 properly accounted for and shall be paid into the county treasury in  
17 the same manner as other fees collected by the county clerk for the  
18 filing and recording of mortgages and deeds.

19       D. In any court proceeding pursuant to the provisions of the  
20 Oklahoma General Corporation Act requiring the filing of any decree,  
21 order, report or other document in the Office of the Secretary of  
22 State or in the office of any county clerk, in addition to the usual  
23 court costs and the costs for filing in the office of the clerk of  
24 the court, fees equal to the amounts provided for in this section

1 for such required filing shall be collected as costs in such  
2 proceedings and such amount shall be forwarded to the Secretary of  
3 State and the county clerk with the papers to be filed.

4       E. The provisions contained in this section relating to the  
5 payment of incorporation fees by foreign corporations are not  
6 intended and shall not be construed to relieve such corporations,  
7 where applicable, of the payment of the annual corporate franchise  
8 tax to the Tax Commission.

9       F. For the purposes of computing the fees to be collected by  
10 the Secretary of State pursuant to the provisions of this section,  
11 each share without par value shall be treated the same as a share  
12 with a par value of Fifty Dollars (\$50.00), and the fees thereon  
13 shall be collected accordingly.

14       G. Payments for any required fees except as otherwise provided  
15 by law may be made as follows:

16           1. By the applicant's personal or company check, cash, or money  
17 order; or

18           2. By a nationally recognized credit card issued to the  
19 applicant. The Secretary of State may add a convenience fee, not to  
20 exceed four percent (4%) of the amount of such payment for services  
21 provided through telephonic or electronic media. For purposes of  
22 this paragraph, "nationally recognized credit card" means any  
23 instrument or device, whether known as a credit card, credit plate,  
24 charge plate, or by any other name, issued with or without fee by an

1 issuer for the use of the cardholder in obtaining goods, services,  
2 or anything else of value on credit which is accepted by over one  
3 thousand merchants in this state. The Secretary of State shall  
4 determine which nationally recognized credit cards will be accepted;  
5 provided, however, the Secretary of State must ensure that no loss  
6 of state revenue will occur by the use of such card. The  
7 convenience fee collected pursuant to this paragraph shall be  
8 credited to the Revolving Fund for the Office of the Secretary of  
9 State, as established in Section 276.1 of Title 62 of the Oklahoma  
10 Statutes.

11 SECTION 2. AMENDATORY 68 O.S. 2021, Section 118, as  
12 amended by Section 35, Chapter 310, O.S.L. 2023 (68 O.S. Supp. 2024,  
13 Section 118), is amended to read as follows:

14 Section 118. A. Upon receipt of a written request from a  
15 member or employee of the Legislature, the Oklahoma Tax Commission  
16 shall provide:

17 1. A written estimate of the revenue gain or loss to the state  
18 as a result of an actual or proposed change to any state tax law  
19 within the implementation, enforcement and collection duties and  
20 responsibilities of the Tax Commission; provided, upon request of a  
21 legislative member or staff, Service Oklahoma shall be responsible  
22 for furnishing written estimates of revenue gains or losses  
23 attributable to current or proposed amendments to any state law  
24 under its statutorily assigned functions and responsibilities;

1       2. A written statement of the Tax Commission's recommendation  
2 to the State Board of Equalization as to the change in the amount  
3 certified as available for appropriation by the Legislature as a  
4 result of an actual or proposed change to a state tax law; and

5       3. A written statement outlining all analysis and methodology  
6 provided by or made available by the Tax Commission to the State  
7 Board of Equalization for the purpose of influencing or serving as  
8 the basis for an official action of the State Board of Equalization.

9           The Tax Commission shall provide such estimate and statement  
10 within two (2) weeks of the date the request was received unless the  
11 member or employee of the Legislature specifies an earlier date.

12          B. On or after December 31, 2009, and subject to the  
13 availability of funds, the Tax Commission shall develop the  
14 estimates and statements required by subsection A of this section  
15 utilizing a dynamic revenue estimating model. Such model shall take  
16 into consideration changes in economic activity as a result of the  
17 proposed legislation and consequent revenue gains or losses due to  
18 factors such as taxpayer behavior, employment and business  
19 investment. The Tax Commission may, subject to the laws of this  
20 state relating to confidentiality of information, contract with  
21 institutions of higher education in this state or other entities to  
22 perform its duties as set forth in this subsection or subsection C  
23 of this section. The Tax Commission is authorized to promulgate  
24 rules to carry out the implementation of this section.

1       C. For the purpose of providing an annual forecast of gross  
2 production tax revenues ~~from the production of natural and~~  
3 ~~casinghead gas~~ to the Office of Management and Enterprise Services,  
4 the Tax Commission ~~shall~~ may subscribe to appropriate reference  
5 materials which provide economic outlook of future gas prices that  
6 have most closely followed the historical trend of Oklahoma gas  
7 prices. To determine the average differential between the published  
8 forecasted prices and Oklahoma gas prices, the Tax Commission ~~shall~~  
9 may compare prices in at least twenty-four (24) of the immediate  
10 thirty-six (36) previous months of production. The Tax Commission  
11 shall utilize the procedures provided herein to forecast the  
12 collection of gross production tax revenues ~~from the production of~~  
13 ~~natural and casinghead gas~~ for the fiscal year beginning July 1,  
14 2005, and each fiscal year thereafter.

15       SECTION 3.       AMENDATORY       68 O.S. 2021, Section 220, is  
16 amended to read as follows:

17       Section 220. A. The interest or penalty or any portion thereof  
18 ordinarily accruing by reason of a taxpayer's failure to file a  
19 report or return or failure to file a report or return in the  
20 correct form as required by any state tax law or by this Code or to  
21 pay a state tax, except for the excise tax levied on the purchase  
22 price of aircraft as set forth in Section 6002 of this title, within  
23 the statutory period allowed for its payment may be waived or  
24 remitted by the Oklahoma Tax Commission or its designee provided the

1      taxpayer's failure to file a report or return or to pay the tax is  
2      satisfactorily explained to the Tax Commission or such designee, or  
3      provided such failure has resulted from a mistake by the taxpayer of  
4      either the law or the facts subjecting him to such tax, or inability  
5      to pay such interest or penalty resulting from insolvency.

6            B. Except as otherwise provided by subsections C and D of this  
7      section, the waiver or remission of all or any part of any such  
8      interest or penalties in excess of Twenty-five Thousand Dollars  
9      (\$25,000.00) shall not become effective unless approved by one of  
10     the judges of the district court of Oklahoma County after a full  
11     hearing thereon.

12                The application for the approval of such waiver or remission  
13      shall be filed in the office of the court clerk of the court at  
14      least twenty (20) days prior to the entry of the order of the judge  
15      finally approving or disapproving the waiver or remission. The  
16      order so entered shall be a final order of the district court of the  
17      county.

18            C. Taxpayers who (1) do not have outstanding tax liabilities  
19      other than those reported pursuant to a voluntary disclosure  
20      agreement, (2) have not been contacted by the Oklahoma Tax  
21      Commission with respect to the taxpayer's potential or actual  
22      obligation to file a return or make a payment to the state, (3) have  
23      not collected taxes from others, such as sales and use taxes or  
24      payroll taxes, and not reported those taxes, and (4) have not within

1    the preceding three (3) years entered into a voluntary disclosure  
2    agreement for the type of tax owed may enter into a voluntary  
3    disclosure agreement with the Tax Commission in order to report a  
4    state tax liability owed by the taxpayer. Taxpayers who have  
5    collected taxes from others, such as sales and use taxes or payroll  
6    taxes, and not reported those taxes, may enter into a modified  
7    voluntary disclosure agreement as is provided in subsection F of  
8    this section provided that they meet all the other requirements  
9    provided in this subsection. If the Tax Commission agrees with the  
10   proposed terms for payment of the principal amount of tax due and  
11   owing, the penalty otherwise imposed by law upon the principal  
12   amount shall be waived by operation of law and no further action by  
13   the Tax Commission or by the taxpayer shall be required for the  
14   waiver of such penalty amount and fifty percent (50%) of the  
15   otherwise applicable interest amount shall be waived by operation of  
16   law and no further action by the Tax Commission or by the taxpayer  
17   shall be required for the waiver of such interest amount.

18       D. The Tax Commission shall limit the period for which  
19   additional taxes may be assessed (the lookback period) to three (3)  
20   taxable years for annually filed taxes or thirty-six (36) months for  
21   taxes that do not have an annual filing frequency.

22       E. Voluntary disclosure agreements may be denied or nullified  
23   by the Tax Commission if a taxpayer's failure to report or pay is  
24

1      determined to be the result of a pattern of intentional or gross  
2      negligence regarding compliance with the laws.

3            F. Taxpayers who meet all of the qualifications specified in  
4      subsection C 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            G. The provisions of a modified voluntary disclosure agreement  
9      shall be the same as a voluntary disclosure agreement as specified  
10     in subsection C of this section, except that (1) waiver of interest  
11     shall not apply except as may be optionally granted at the  
12     discretion of the Tax Commission, and (2) the period for which taxes  
13     must be reported and remitted is extended beyond the three-year or  
14     thirty-six-month period provided in subsection C of this section to  
15     include all periods in which tax has been collected but not  
16     remitted.

17           SECTION 4.        AMENDATORY        68 O.S. 2021, Section 227, as last  
18      amended by Section 4, Chapter 113, O.S.L. 2023 (68 O.S. Supp. 2024,  
19      Section 227), is amended to read as follows:

20           Section 227. A. Except as provided in subsection B of Section  
21      1361.2 and subsection D of Section 1364.1 of this title, any  
22      taxpayer who has paid to the State of Oklahoma, through error of  
23      fact, or computation, or misinterpretation of law, any tax collected  
24

1 by the Tax Commission may, as hereinafter provided, be refunded the  
2 amount of such tax so erroneously paid, without interest.

3       B. 1. Except as otherwise provided by paragraph 2 of this  
4 subsection, any taxpayer who has so paid any such tax may, within  
5 three (3) years from the date of payment thereof file with the Tax  
6 Commission a verified claim for refund of such tax so erroneously  
7 paid. ~~The Tax Commission may accept an amended withholding tax or~~  
~~either report or return as a verified claim for refund if the amended~~  
~~report or return establishes a liability less than the original~~  
~~report or return previously filed~~ Any verified claim for refund  
8       shall be submitted on a form prescribed by the Tax Commission.

9       2. Upon August 26, 2016, with respect to the sales tax imposed  
10 by Section 1354 of this title and with respect to the use tax  
11 imposed by Section 1402 of this title, any taxpayer who has so paid  
12 such sales or use tax may, within two (2) years from the date of  
13 payment thereof file with the Tax Commission a verified claim for  
14 refund of such tax so erroneously paid. ~~The Tax Commission may~~  
15 ~~accept an amended sales or use tax report or return as a verified~~  
16 ~~claim for refund if the amended report or return establishes a~~  
17 ~~liability less than the original report or return previously filed~~  
18 Any verified claim for refund shall be submitted on a form  
19 prescribed by the Tax Commission.

20       C. The claim so filed with the Tax Commission, ~~except for an~~  
21 ~~amended report or return,~~ shall specify the name of the taxpayer,

1 the time when and period for which the tax was paid, the nature and  
2 kind of tax so paid, the amount of the tax which the taxpayer  
3 claimed was erroneously paid, the grounds upon which a refund is  
4 sought, and such other information or data relative to such payment  
5 as may be necessary to an adjustment thereof by the Tax Commission.  
6 It shall be the duty of the Commission to determine what amount of  
7 refund, if any, is due as soon as practicable after such claim has  
8 been filed and advise the taxpayer about the correctness of his  
9 claim and the claim for refund shall be approved or denied by  
10 written notice to the taxpayer.

11 D. If the claim for refund is denied, the taxpayer may file a  
12 demand for hearing with the Commission. The demand for hearing must  
13 be filed on or before the sixtieth day after the date indicated on  
14 the notice of denial. If the taxpayer fails to file a demand for  
15 hearing, the claim for refund shall be barred.

16 E. Upon the taxpayer's timely filing of a demand for hearing,  
17 the Commission shall set a date for hearing upon the claim for  
18 refund which date shall not be later than sixty (60) days from the  
19 date the demand for hearing was mailed. The taxpayer shall be  
20 notified of the time and place of the hearing. The hearing may be  
21 held after the sixty-day period provided by this subsection upon  
22 agreement of the taxpayer.

23 F. The provisions of this section shall not apply:  
24

1       1. To refunds of income tax erroneously paid, refunds of which  
2 tax shall be payable out of the income tax adjustment fund as  
3 provided by law;

4       2. To estate tax because the payment of such tax is covered by  
5 an order of the Tax Commission and the estate and interested parties  
6 are given notice that Commission's position and computation of the  
7 tax will become final unless they protest and resist the payment  
8 thereof as provided by statute; nor

9       3. In any case where the tax was paid after an assessment  
10 thereof was made by the Tax Commission which assessment became final  
11 under the law.

12      SECTION 5.     AMENDATORY       68 O.S. 2021, Section 228.1, is  
13 amended to read as follows:

14      Section 228.1. A. Except as otherwise provided by law, claims  
15 for refunds which are required to be paid by the Oklahoma Tax  
16 Commission shall be paid from funds in the official depository  
17 clearing account of the Tax Commission, derived from collections  
18 from the same source from which the overpayment occurred. Provided,  
19 in the case of refunds due to taxpayers who are required to remit  
20 taxes to the Tax Commission on a monthly or quarterly basis, the Tax  
21 Commission may, in lieu of such refund, credit the account of the  
22 taxpayer for such amount. If current collections from the same  
23 source are insufficient to pay refunds, available cash funds from  
24 the unclassified taxes account may be used for such purpose.

1       B. The Oklahoma Tax Commission is authorized to charge a fee to  
2       a taxpayer for reissuing a refund requested by the taxpayer. The  
3       fee shall be the same amount as specified in Section 89.6 of Title  
4       62 of the Oklahoma Statutes for handling a stop-payment processed by  
5       the State Treasurer. All receipts of the fee shall be placed to the  
6       credit of the Oklahoma Tax Commission Fund.

7           SECTION 6.           AMENDATORY           68 O.S. 2021, Section 254, is  
8       amended to read as follows:

9           Section 254. A. Upon a hearing with notice the Oklahoma Tax  
10      Commission shall be entitled to proceed by garnishment to collect  
11      any delinquent tax and to collect any penalty or interest due and  
12      owing as a result of a tax delinquency. Provided, that upon proper  
13      application under the procedures outlined herein, the court may  
14      issue an order continuing the garnishment for the collection of  
15      delinquent taxes, penalties or interest until the total amount of  
16      such delinquent taxes, penalties or interest have been collected.

17           B. The Oklahoma Tax Commission may garnish the accrued earnings  
18      of a delinquent taxpayer employee by sending notice to the  
19      taxpayer's employer. For the purpose of this section, "earnings"  
20      means any form of payment to an individual including, but not  
21      limited to, salary, wages, commission or other compensation, but  
22      does not include reimbursements for travel expenses for state  
23      employees. Such notice may be served by mail or by delivery by a  
24      field agent of the Tax Commission to the taxpayer's employer along

1 with a copy to the delinquent taxpayer. Upon receipt of such notice  
2 of delinquency, the employer shall withhold from compensation due,  
3 or to become due to the employee, the total amount shown by the  
4 notice. The Tax Commission may direct the employer to withhold part  
5 of the amount due, not to exceed twenty-five percent (25%) of  
6 earnings per pay period, until the total amount as shown by the  
7 notice, plus interest and penalty, has been withheld and remitted to  
8 the Tax Commission. The employer's response and calculation of  
9 amounts withheld shall be on a form prescribed by the Tax  
10 Commission.

11 C. Within seven (7) days after the end of each pay period, or  
12 if the delinquent taxpayer does not have regular pay periods, within  
13 thirty (30) days from the date of the notice, the employer shall  
14 withhold amounts due or provide an explanation to the Tax Commission  
15 why amounts due will not be withheld and remitted to the Tax  
16 Commission. In any case in which the employee ceases to be employed  
17 by the employer before the full amount set forth in the notice of  
18 delinquency, plus delinquent penalty and interest, has been withheld  
19 by the employer, the employer shall immediately notify the Tax  
20 Commission in writing the date the employee resigned or was  
21 terminated. Any employer who knowingly and willfully refuses to  
22 respond by any means to the notice as provided in subsection B of  
23 this section may be liable for the total amount as set forth in the  
24

1 notice. The employer may not terminate the delinquent taxpayer  
2 employee based upon the notice of administrative wage garnishment.

3 D. An administrative wage garnishment may be issued after  
4 ~~ninety (90) days in which the~~ 1) tax has become ninety (90) days  
5 delinquent, 2) notice has been sent to the taxpayer of the  
6 delinquency and possible remedies to resolve the delinquency have  
7 been provided to the taxpayer, and 3) a tax warrant has been issued  
8 and filed pursuant to Section 231 of this title. The taxpayer shall  
9 have ten (10) days after the issuance of the notice to the employer  
10 to provide any additional information to the Tax Commission for the  
11 garnishment of wages to be withdrawn or released by the Tax  
12 Commission. The Tax Commission shall withdraw or adjust the  
13 garnishment for wages upon proof to the satisfaction of the Tax  
14 Commission that the delinquent tax, interest and penalty referred to  
15 in the notice have been paid or the taxpayer can show the wages  
16 subject to garnishment are exempt pursuant to state or federal law.

17 E. The Tax Commission shall prescribe or approve forms and  
18 promulgate rules and regulations for implementing the provisions of  
19 this section.

20 SECTION 7. AMENDATORY 68 O.S. 2021, Section 418, is  
21 amended to read as follows:

22 Section 418. A. It shall be unlawful for any person to  
23 transport or possess tobacco products where the tax on such tobacco  
24

1 products has not been paid and exceeds the sum of One Hundred  
2 Dollars (\$100.00).

3       B. Except as otherwise provided in subsections C and D of this  
4 section, any person found guilty of violating the provisions of  
5 Section 400 et seq. of this title shall be punished by an  
6 administrative fine of not more than One Thousand Dollars  
7 (\$1,000.00) for a first offense or not more than Four Thousand  
8 Dollars (\$4,000.00) for a second or subsequent offense. Provided,  
9 any person in possession of more than one thousand small or large  
10 cigars or two hundred sixteen (216) ounces of smokeless tobacco or  
11 smoking tobacco in packages or containers for which the tax required  
12 by law has not been paid shall be punished by administrative fines  
13 in the manner and amounts provided in subsection D of this section.

14       C. Any retailer violating the provisions of Section 403.2 of  
15 this title shall:

16           1. For a first offense, be punished by an administrative fine  
17 of not more than Two Thousand Dollars (\$2,000.00);

18           2. For a second offense, be punished by an administrative fine  
19 of not more than Ten Thousand Dollars (\$10,000.00); and

20           3. For a third or subsequent offense, be punished by an  
21 administrative fine of not more than Twenty Thousand Dollars  
22 (\$20,000.00).

23       D. Any wholesaler violating the provisions of Section 403.2 of  
24 this title shall:

1       1. For a first offense, be punished by an administrative fine  
2 of not more than Ten Thousand Dollars (\$10,000.00); and  
3       2. For a second or subsequent offense, be punished by an  
4 administrative fine of not more than Twenty Thousand Dollars  
5 (\$20,000.00).

6       Administrative fines collected pursuant to the provisions of  
7 this subsection shall be deposited to the revolving fund created in  
8 Section 305.2 of this title.

9       E. The Oklahoma Tax Commission shall immediately revoke the  
10 license of a person punished for a violation pursuant to the  
11 provisions of paragraph 3 of subsection C of this section or a  
12 person punished for a violation pursuant to the provisions of  
13 subsection D of this section. A person whose license is so revoked  
14 shall not be eligible to receive another license pursuant to the  
15 provisions of Section 301 et seq. of this title for a period of ten  
16 (10) years.

17       F. Fines collected pursuant to the provisions of subsections B,  
18 C and D of this section shall be deposited in the Tobacco Products  
19 Tax Enforcement Unit Revolving Fund created in Section 7 of Enrolled  
20 House Bill No. 2292 of the 1st Session of the 58th Oklahoma  
21 Legislature.

22       SECTION 8.       AMENDATORY       68 O.S. 2021, Section 255.2, as  
23 amended by Section 6, Chapter 113, O.S.L. 2023 (68 O.S. Supp. 2024,  
24 Section 255.2), is amended to read as follows:

1           Section 255.2. As provided in Section 426 of Title 63 of the  
2 Oklahoma Statutes, the Oklahoma Medical Marijuana Authority and the  
3 Oklahoma Tax Commission shall enter into a contract whereby the Tax  
4 Commission shall have authority to assess, collect and enforce the  
5 seven percent (7%) tax on retail medical marijuana sales and any  
6 penalties and interest thereon. Such assessment, collection and  
7 enforcement authority shall apply to any tax and any penalty or  
8 interest liability on retail medical marijuana sales existing at the  
9 time of contracting. The contract shall provide for the assessment,  
10 collection and enforcement of the tax on retail medical marijuana  
11 sales in the same manner as the administration, collection and  
12 enforcement of any tax payable by any taxpayer subject to taxation  
13 under any state tax law. For providing such collection assistance,  
14 the Tax Commission shall ~~charge the Oklahoma Medical Marijuana~~  
15 ~~Authority retain~~ a fee of one and five-tenths percent (1.5%) of the  
16 gross collection proceeds. All funds retained by the Tax Commission  
17 for the collection services shall be deposited in the Tax Commission  
18 Reimbursement Fund in the State Treasury.

19           SECTION 9.       AMENDATORY       63 O.S. 2021, Section 426, as last  
20 amended by Section 1, Chapter 34, 1st Extraordinary Session, O.S.L.  
21 2023 (63 O.S. Supp. 2024, Section 426), is amended to read as  
22 follows:

23  
24

1       Section 426. A. The tax on retail medical marijuana sales  
2 shall be established at seven percent (7%) of the gross amount  
3 received by the seller.

4       B. This tax shall be collected at the point of sale. Except as  
5 provided for in subsection D, tax proceeds, less the collection fee  
6 retained by the Oklahoma Tax Commission pursuant to Section 255.2 of  
7 Title 68 of the Oklahoma Statutes, shall be deposited into the  
8 Medical Marijuana Tax Fund created in Section 3 427.5a of this act  
9 title.

10 C. Pursuant to Section 255.2 of Title 68 of the Oklahoma  
11 Statutes, the Oklahoma Tax Commission shall have authority to  
12 assess, collect and enforce the tax specified in subsection A of  
13 this section including any interest and penalty thereon.

14 D. For fiscal year 2022, proceeds from the levy authorized by  
15 subsection A of this section shall be apportioned as follows:

16       1. The first Sixty-five Million Dollars (\$65,000,000.00) shall  
17 be apportioned as follows:

21           b. thirty-four and sixty-two hundredths percent (34.62%)  
22                          to the Oklahoma Medical Marijuana Authority, a  
23                          division within the State Department of Health, and

c. six and fifteen hundredths percent (6.15%) to the State Department of Health and earmarked for drug and alcohol rehabilitation; and

4       2. Any surplus collections shall be apportioned to the General  
5 Revenue Fund of the State Treasury.

6       E. If any medical marijuana business licensee intentionally  
7 does not remit the taxes as required by the provisions of this  
8 section or the provisions of Section 1354 of Title 68 of the  
9 Oklahoma Statutes, the Authority shall permanently revoke the  
10 medical marijuana business license of the business licensee and the  
11 business licensee shall be permanently ineligible to receive any  
12 other type of medical marijuana business license issued by the  
13 Authority, including licenses for a dispensary, commercial grower  
14 operation, processing facility, transporter, research, education  
15 facility, and waste disposal facility.

16 SECTION 10. REPEALER 68 O.S. 2021, Section 205.5, is  
17 hereby repealed.

18 SECTION 11. This act shall become effective November 1, 2025.

20 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
03/06/2025 - DO PASS, As Amended and Coauthored.