

An Act

ENROLLED HOUSE
BILL NO. 1423

By: Lepak of the House

and

Fry and Dossett of the
Senate

An Act relating to revenue and taxation; amending 68 O.S. 2011, Section 2368.2, which relates to income tax donation standards; providing exemption from certain standard for donations to certain fund; amending 68 O.S. 2011, Section 2368.19, as amended by Section 559, Chapter 304, O.S.L. 2012 (68 O.S. Supp. 2016, Section 2368.19), which relates to income tax donations to the Folds of Honor Scholarship Program; reauthorizing such donations; and providing an effective date.

SUBJECT: Income tax donations

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

SECTION 1. AMENDATORY 68 O.S. 2011, Section 2368.2, is amended to read as follows:

Section 2368.2 ~~If~~ A. Except as exempted in subsection B of this section, if on September 1 of any year, the total contributions to any one of the funds created through donations or contributions from income tax refunds by checking the appropriate box on the income tax return forms do not equal Fifteen Thousand Dollars (\$15,000.00) or more for three (3) consecutive years, the explanations and spaces for designating contributions to the fund shall be removed from the income tax return forms for the following and all subsequent years. All contributions to the removed fund after September 1 shall be refunded to the taxpayer.

B. The provisions of this section shall not apply to the Income Tax Checkoff Revolving Fund for the Support of the Folds of Honor Scholarship Program authorized in Section 2368.19 of this title.

SECTION 2. AMENDATORY 68 O.S. 2011, Section 2368.19, as amended by Section 559, Chapter 304, O.S.L. 2012 (68 O.S. Supp. 2016, Section 2368.19), is amended to read as follows:

Section 2368.19 A. Each state individual income tax return form for tax years which begin after December 31, 2009, and each state corporate tax return form for tax years beginning after December 31, 2009, shall contain a provision to allow a donation from a tax refund for the purpose of providing academic and vocational training scholarships administered through the Folds of Honor Scholarship Program to dependents of military servicemen and servicewomen who were either killed or wounded in action due to military service in the war in Iraq or Afghanistan where such program is administered through Folds of Honor Incorporated, a nonprofit charitable organization exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3). The provision to allow donation shall read as follows:

Support of Folds of Honor Scholarship Program, a nonprofit charitable organization providing academic and vocational training scholarships to dependents of military servicemen and servicewomen who were either killed or wounded in action due to military service in the war in Iraq or Afghanistan. Check if you wish to donate from your tax refund: () \$2, () \$5, or () \$ ____.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Income Tax Checkoff Revolving Fund for the Support of the Folds of Honor Scholarship Program created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund for the Military Department of the State of Oklahoma to be designated the "Income Tax Checkoff Revolving Fund for the Support of the Folds of Honor Scholarship Program". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to the provisions of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Military Department for the purpose of providing grants for

academic and vocational training scholarships administered through the Folds of Honor Scholarship Program. Such monies shall be apportioned as and in a manner specified by the Military Department. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

E. Pursuant to Section 2368.18 of this title, the income tax checkoff contained in this section is hereby reauthorized effective January 1, 2017.

SECTION 3. This act shall become effective November 1, 2017.

Passed the House of Representatives the 28th day of February, 2017.

Jack Miner
Presiding Officer of the House
of Representatives

Passed the Senate the 19th day of April, 2017.

Eddie Fields
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 20th
day of April, 20 17, at 2:15 o'clock P M.

By: Audrey Rockwell

Approved by the Governor of the State of Oklahoma this 26th
day of April, 20 17, at 3:10 o'clock P M.

Mary Fuller
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 26th
day of April, 20 17, at 5:53 o'clock P M.

By: [Signature]