

Oklahoma Tax Commission Regular Meeting Minutes
July 24, 2018

1. The regularly scheduled meeting of the Oklahoma Tax Commission convened at 1:30 p.m., on the above date, in the Oklahoma City office. Notice of said meeting and the agenda therefor were posted in prominent public view at the Commission's principal office in Oklahoma City from and after 1:30 p.m., on July 23, 2018.

Chairman Burrage called the meeting to order. Other members present was Secretary-Member Kemp. Also present was Lee Pugh, General Counsel.

2. Chairman Burrage moved to approve the minutes of the regular commission meeting of July 17, 2018. Secretary-Member Kemp seconded the motion. Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
3. There was no report from the Executive Director.

Vice-Chairman Jolley joined the meeting.

4. Chairman Burrage moved that the Commission resolve into Executive Session for discussion and possible action regarding Independent School District No. 2, Tulsa County, Oklahoma et al, Plaintiffs/Appellees v. Oklahoma Tax Commissioner, Steve Burrage; Oklahoma Tax Commissioner, Dawn Cash and Oklahoma Tax Commissioner, Thomas E. Kemp, Jr, Defendants/Appellants Oklahoma Supreme Court Case No. 115,678. Vice-Chairman Jolley seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.

An executive session was held, after which the Commission returned to open meeting.

5. Jorie Welch, First Deputy General Counsel discussed the matter. No action taken.
6. Chairman Burrage moved that the Commission resolve into Executive Session for the purpose of discussing confidential taxpayer matters and proceedings and pending litigation. Vice-Chairman Jolley seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.

An executive session was held, after which the Commission returned to open meeting.

7. Recommendations from Executive Session:

- 1) Chairman Burrage moved that the Commission grant a waiver of remaining delinquent interest in the amount of \$8781.01, upon payment of one-half

delinquent interest, under estimation interest, delinquent penalty, warrant penalty, filing fees and applicable collection fees, as recommended by the Division, in Case No. 18-994454. Secretary-Kemp seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.

- 2) Chairman Burrage moved that the Commission grant a waiver of remaining interest in the amount of \$1329.67, upon payment of one-half delinquent interest, under estimation interest, delinquent penalty, tax warrant penalty, filing fees and applicable collection fees, as recommended by the Division, in Case No. 18-1010512. Vice-Chairman Jolley seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 3) Vice-Chairman Jolley moved that the Commission grant a waiver of remaining delinquent interest in the amount of \$1223.74, upon payment of three-fourths delinquent interest, under estimation interest, delinquent penalty, tax warrant penalty and filing fees, as recommended by the Division, in Case No. 18-1019427. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 4) Chairman Burrage moved that the Commission grant a waiver of remaining penalty and interest, upon payment of warrant fees, in Case No. 18-1045242. Vice-Chairman Jolley seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 5) Vice-Chairman Jolley moved that the Commission grant taxpayer's request for reconsideration of the Commission action taken in the matter on 2/28/2018, waiving remaining penalty and interest, upon payment of warrant penalty and warrant fees, in Case No. 18-1041211. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 6) Vice-Chairman Jolley moved that the Commission grant a waiver of remaining penalty and interest, upon payment of warrant fees, in Case No. 18-1022308. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 7) Vice-Chairman Jolley moved that the Commission grant a waiver of interest and penalty in the amount of \$4000.58, upon payment of tax warrant filing fees, as recommended by the Division, in Case No. 18-1083080. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.

- 8) Vice-Chairman Jolley moved that the Commission grant a partial release, as recommended by the Division, in Case No. PR-18-033. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 9) Vice-Chairman Jolley moved that the Commission grant a partial release, as recommended by the Division, in Case No. PR-18-063. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 10) Vice-Chairman Jolley moved that the Commission grant a partial release, in Case No. PR-18-068. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 11) Chairman Burrage moved that the Commission grant a settlement request, upon payment of \$226 for tax warrant penalty and filing fees. as recommended by the Division, in Case No. 652719. Secretary-Member Kemp seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 12) Vice-Chairman Jolley moved that the Commission deny a settlement request, as recommended by the Division, in Case No. 686139. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 13) Vice-Chairman Jolley moved that the Commission grant a waiver of delinquent penalty and one-half interest in the amount of \$4706.40, upon payment of one-half interest, as recommended by the Division, in Case No. 18-914828. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 14) Vice-Chairman Jolley moved that the Commission grant a waiver of remaining interest in the amount of \$2136.70, upon payment of one-half interest, delinquent penalty, tax warrant penalty, filing fees and applicable collection fees, as recommended by the Division, in Case No. 18-922800. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 15) Vice-Chairman Jolley moved that the Commission grant a waiver of remaining interest and delinquent penalty in the amount of \$2508.59, upon payment of one-half interest, tax warrant penalty, filing fees and applicable collection fees, as recommended by the Division, in Case No. 18-953525. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.


- 16) Vice-Chairman Jolley moved that the Commission grant a waiver of remaining interest in the amount of \$851.01, upon payment of three-fourths interest, delinquent penalty, tax warrant penalty, filing fees and applicable collection fees, as recommended by the Division, in Case No. 18-977637. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 17) Vice-Chairman Jolley moved that the Commission grant a waiver of delinquent penalty and remaining interest in the amount of \$1540.42, upon payment of one-half interest, as recommended by the Division, in Case No. 18-982610. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 18) Chairman Burrage moved that the Commission grant a waiver of delinquent penalty in the amount of \$7884.10, upon payment of interest, as recommended by the Division, in Case No. 18-989713. Secretary-Member Kemp seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 19) Vice-Chairman Jolley moved that the Commission grant a waiver of delinquent penalty and remaining interest in the amount of \$6368.94, upon payment of one-half interest, as recommended by the Division, in Case No. 18-1015505. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 20) Vice-Chairman Jolley moved that the Commission grant a waiver of delinquent penalty and remaining delinquent interest in the amount of \$1657.69, upon payment of one-half delinquent interest, under estimation interest, tax warrant penalty, filing fees and applicable collection fees, as recommended by the Division, in Case No. 18-1019414. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 21) Chairman Burrage moved that the Commission grant a waiver of remaining interest in the amount of \$903.25, upon payment of one-half interest and delinquent penalty, as recommended by the Division, in Case No. 18-1040274. Secretary-Member Kemp seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 22) Vice-Chairman Jolley moved that the Commission grant a waiver of delinquent Penalty and one-half interest in the amount of \$8941.71, per Voluntary Disclosure, as recommended by the Division, in Case No. 18-1040350. Secretary-Member Kemp seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.


- 23) Chairman Burrage moved that the Commission grant a waiver of one-half interest in the amount of \$6678.41, as recommended by the Division, in Case No. 18-1049301. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 24) Vice-Chairman Jolley moved that the Commission grant a waiver of one-half delinquent interest in the amount of \$1642.68, as recommended by the Division, in Case No. 18-1050355. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 25) Chairman Burrage moved that the Commission grant a waiver of remaining interest in the amount of \$1096.06, upon payment of one-half interest, delinquent penalty, warrant penalty, filing fees and applicable collection fees, as recommended by the Division, in Case No. 18-1052227. Secretary-Member Kemp seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 26) Vice-Chairman Jolley moved that the Commission grant a waiver of delinquent penalty and remaining interest in the amount of \$3171.86, upon payment of one-half interest, as recommended by the Division, in Case No. 18-1054252. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 27) Vice-Chairman Jolley moved that the Commission deny a waiver request, as recommended by the Division, in Case No. 18-1063233. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 28) Chairman Burrage moved that the Commission deny a settlement request, in Case No. 1065016. Secretary-Member Kemp seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 29) Vice-Chairman Jolley moved that the Commission grant a waiver of one-half interest in the amount of \$2596.07, as recommended by the Division, in Case No. 18-1005825. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 30) Vice-Chairman Jolley moved that the Commission grant a waiver of delinquent penalty and remaining interest in the amount of \$3504.17, upon payment of one-half interest, as recommended by the Division, in Case No. 18-1028484. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.


- 31) Vice-Chairman Jolley moved that the Commission grant a waiver of one-half interest in the amount of \$1200.85, as recommended by the Division, in Case No. 18-1028495. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 32) Vice-Chairman Jolley moved that the Commission grant a waiver of delinquent penalty and remaining interest in the amount of \$6117.23, upon payment of one-half interest, as recommended by the Division, in Case No. 18-1044307. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 33) Vice-Chairman Jolley moved that the Commission grant a waiver of interest and delinquent penalty in the amount of \$4882.29, as recommended by the Division, in Case No. 18-1054331. Chairman Burrage seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 34) Chairman Burrage moved that the Commission grant a waiver of penalties, as authorized under HB 1019XX for failure to comply with the provisions of the bill until July 1, 2019, as recommended by the Executive Director, in Case No. M-18-055. Vice-Chairman Jolley seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 35) Chairman Burrage moved that the Commission approve the Order to Stay, in Case No. CR-16-026-H. Vice-Chairman Jolley seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
8. Chairman Burrage moved that the Commission approve the notification to the Secretary of Finance, Administration and Information Technology of proposed agency expenses. Secretary-Member Kemp seconded the motion. Chairman, aye; Vice-Chairman, recuse; Secretary-Member, aye. The motion was declared adopted.
9. Chairman Burrage moved that the Commission approve the request for waiver of assessed penalty against MLA Brice Jenkins for filing late semi-monthly report. Vice-Chairman Jolley seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
10. Chairman Burrage moved that the Commission approve the request for waiver of assessed penalty against MLA Dana Cass for filing late semi-monthly report. Vice-Chairman Jolley seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.

- 11. Chairman Burrage moved that the Commission approve the request for waiver of assessed penalty against MLA Steve Butler for filing late semi-monthly report. Vice-Chairman Jolley seconded the motion. Chairman, aye; Vice-Chairman, aye; Secretary-Member, aye. The motion was declared adopted.
- 12. The Commission discussed the administration of HB1019XX and sales and use tax codes after U.S. Supreme Court decision in *South Dakota v. Wayfair Inc., et al.*
- 13. The discussion and review of the agency Strategic Plan was continued at the request of the Commission.
- 14. There was no report from the Tax Policy and Research Division.
- 15. There were no other division reports.
- 16. There was no new business.
- 17. The meeting was adjourned.

APPROVED:


Assistant Secretary


Steve Burrage, Chairman


Clark Jolley, Vice-Chairman

Thomas E. Kemp, Jr., Secretary-Member