

Attention!

The following PDF image of the Oklahoma Business Bulletin has been adapted for faster downloads from the internet.

This publication is mailed out in its full version quarterly. If you would like to have your name added to our mailing list, please contact us via one of the formats below:

- 1. Phone (405) 521-3637**
- 2. Fax (405) 521-2035**
- 3. Mail: Oklahoma Tax Commission
Communications Division
2501 North Lincoln Blvd.
Oklahoma City, OK 73194**
- 4. E-mail: publications@oktax.state.ok.us**

Thank you.

Oklahoma Business Bulletin

April 1997



A Publication of the Oklahoma Tax Commission

The Oklahoma Tax Commission has several convenient locations available to serve taxpayers all across the state. Listed below are the state offices, addresses and telephone numbers.

Oklahoma City •

(405) 521-3160
2501 N. Lincoln Blvd.

Shepherd Mall
NW 23rd and Villa

Tulsa •

(918) 581-2399
440 South Houston

McAlester •

(918) 426-0777
1533 South Main

Lawton •

(405) 248-8440
1602 NW Lawton Ave. #B

Ardmore •

(405) 226-4636
301 West Main, #316

• **In-State Toll Free**

1 (800) 522-8165
• extension 1-3160

.....The Oklahoma Business Bulletin is a quarterly publication of the Communications Division of the Oklahoma Tax Commission.

Questions and/or comments regarding this publication should be directed to the Communications Division at (405) 521-3637, or by writing to: Oklahoma Tax Commission, Communications Division, 2501 N. Lincoln Blvd., Oklahoma City, OK 73194.

New Tax Commission Office Opens; Divisions Merge for Better Service

The Registrations Division and Tax-payer Assistance Division have recently merged in order to bring taxpayers more efficient customer service and speedier handling of accounts. With these two divisions combining, it will be easier for you to call in and request information on registering your business, order forms, and have your questions answered without your call being interrupted by speaking with numerous representatives. The new division has been named

"One central location for total taxpayer service is the objective our staff is seeking as you enter the new Tax Commission office at Shepherd Mall. Positive customer service and efficiency are what the taxpayer can expect."

• Russ Nordstrom,
Taxpayer Assistance Director

Taxpayer Assistance.

Plans for this division include having a phone bank staffed with personnel who are knowledgeable in the more than 100 taxes, fees and licenses that the agency administers. Currently any questions for this division may be answered by calling either (405) 521-3279 or (405) 521-3160.

The countdown is also on for a new Taxpayer Assistance Office to be

opened in Oklahoma City. The office will be housed in Shepherd Mall located at NW 23rd and Villa. This office will eventually be a full service center, providing taxpayers with such services as processing most applications for licenses and permits, new business registrations, motor vehicle matters and various types of business and income tax filing assistance.

If you would like to check locations on other Taxpayer Assistance Offices around the state, please refer to the box at the left of this article for addresses and phone numbers. ■

Advice Offered for Filing Sales Taxes

Are you currently using a software program designed to determine the city sales tax rate based on a zip code? Beware - you may be using the wrong rate and code.

Zip codes in Oklahoma are not unique to each city. Many cities share the same zip code due to the location of the post offices.

For example, the city of Slaughterville has two zip codes, 73068 and 73501. On the software, the 73068 zip code shows up as the city of Noble which has a 4% sales tax rate. The 73051 zip code is used for the city of Lexington with a sales tax rate of 3.5%. If either one of these tax rates is used, it would be incorrect. The town of Slaughterville has a tax rate of 2%.

••• continued page two • "sales taxes"

OTC Offers Many Income Tax Filing Options

In an effort to provide taxpayers with ease and convenience when ordering and filing income tax forms, there have been several new methods made available for the 1997 filing season.

When ordering income tax forms, you may choose from any of the following options:

- Downloadable income tax forms are available through our website at <http://www.oktax.state.ok.us> or you can also reach the agency web page through <http://www.oklaosf.state.ok.us/>.
- To have forms automatically faxed to you through our new FaxBack service, just dial (405) 522-0465 and follow the pre-recorded instructions.
- You can fax your order to (405) 522-4526.
- If you do not have a fax machine available, you can call (405) 521-3108 and follow the pre-recorded instructions.
- If you are unsure what type of forms you may be in need of, please do not hesitate to contact our Taxpayer Assistance Division,

(405) 521-3160, and our personnel will be happy to take your forms order.

To file your personal income taxes, the state offers a variety of services:

- For the 1997 filing season you are now able to electronically file your return and have your refund direct deposited. Contact your tax preparer regarding this option.
- The 511PC offers a one page form which is processed by an Optical Character Recognition (OCR) scanner. This process is also available for persons eligible for the 538-S tax credit. For more information on this method of filing, please contact your tax preparer.
- Taxpayers always have the option of mailing in their income tax forms. If doing this please be sure to use the address listed on the income tax form.

Please remember these services are here to provide you with more choices and conveniences when filing your returns. We hope that you will take advantage of some of these new methods. ■

Sales Tax • continued from page one

Another way of looking at this is shown here by applying money amounts to the sales tax rates. If an item was sold for \$1500 in the town of Slaughterville but the taxpayer was charged under another city code, the amount of sales tax charged could be nearly double what it really should be.

Noble - \$1500	Lexington - \$1500	Slaughterville - \$1500
<u>x 4%</u>	<u>x 3.5%</u>	<u>x 2%</u>
Tax due: \$60	\$53	\$30
The proper amount of tax that should have been charged was \$30.		

Please take the time to ask your customers where they live so that the correct sales tax rate can be collected. The cities depend on the sales tax for the operations of city government and special projects.

If you need an updated chart of city rates, contact Taxpayer Assistance at (405) 521-3279. ■

Oklahoma Tax Commission Hits the World Wide Web with Many Helpful Sites to Serve Taxpayers

The Oklahoma Tax Commission has released a brand new internet web page with many informative and helpful sites to assist all types of taxpayers.

The new site, which went up in March, was preceded by a limited site offering downloadable income tax forms. If you visited the "We're Moving" site in February, be sure and revisit the new expanded site.

The new location offers information on Commission and taxation areas. The following are a few highlights:

- **General Information**
 - history and mission statement, biographical data on commissioners, OTC locations and a telephone directory
- **Business Taxes and Registration**
 - Oklahoma taxes that affect businesses, steps to setting up a business, business structures and business tax workshops
- **Oklahoma Income Taxes**
 - individual, business, estate and trust income tax information, and extension and penalty information

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"OTC: Web News"

OTC: Web News

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• Assistance and Education Sites

•• topical e-mail locations throughout the site, workshops information, taxpayer education and assistance locations

Other areas of interest include downloadable forms, motor vehicle information, tag agent offices by county, taxes and fees administered by the OTC and formats to request forms and publications.

The site will be updated and expanded regularly. New downloadable publications and other form types are expected later this year. As new legislation takes place that will affect businesses in Oklahoma, watch for the news to be highlighted on the site. Publications, including this very newsletter, will be available on the internet.

The new site address is:

<http://www.oktax.state.ok.us>

Go ahead and bookmark it. It will be a valuable resource to all Oklahoma taxpayers. If you have a question and don't see the answer on the site, e-mail us. Topical e-mails are located on each page of the new site.

Another way to visit the site and also obtain information on many different state agencies is through the state home page located at:

<http://www.oklaosf.state.ok.us/>

Many state agencies with information available via the internet are listed on this site.

We hope that you will access these websites as they are there for you to use at your convenience, day or night, 365 days a year. ■

Limited Liability Partnership Law Explained in Response to Common Taxpayer Question

QUESTION...

The January 1997 edition of the quarterly "Oklahoma Business Bulletin" publication stated that Oklahoma now has an Oklahoma Limited Liability Partnership Law.

In your next bulletin, could you provide an explanation of this law and what it does/provides for? How does it help/affect a small business?

Thanks,
Several Readers

ANSWER...

House Bill 2893, went into effect November 1, 1996, providing Oklahoma with the Oklahoma Limited Liability Partnership Act. A registered limited liability partnership (LLP) is a partnership under Section 206 of Title 54 of the Oklahoma Statutes for all purposes of the laws of Oklahoma. LLPs and foreign LLPs must register with the Secretary of State. The registration fee is \$100 for a domestic LLP and \$200 for a foreign LLP. A LLP must pay an annual fee of \$100 each year on the anniversary date of its registration. Also, the LLP must give notice of any material changes in its registration.

The LLP name must contain the words "Limited Liability Partnership" or the abbreviation "L.L.P." or "LLP" as the last words or letters of its name. A registered LLP must pay an annual fee of \$100 if the Secretary of State is to act as its registered agent.

Under the act, partners in a LLP are not personally liable, directly or indirectly, (including by way of indemnification, contribution, or otherwise) for debts, obligations and liabilities of or chargeable to the partnership or another partner or partners, whether in tort, contract or otherwise, arising from omissions, negligence, wrongful acts, misconduct, or malpractice committed while the partnership is a registered LLP and in the course of the partnership business by another partner or employee, agent, or representative of the partnership.

A LLP must provide security for claims

against it based upon acts, errors or omissions arising out of the conduct of the business of the partnership. A LLP may comply with this requirement by maintaining an insurance policy or policies with a total aggregate limit of liability

equal to or exceeding \$1 million. Or, a LLP

••• continued page four • "Q&A"

Helpful Hints: Income Taxes

The following is a list of helpful hints and reminders to use when filing income tax forms.

- Verify that name and address are correct.
- Be sure that your filing status matches what you report on your federal form.
- A nine digit social security number (SSN) is needed for your form to be processed. If a joint return your spouses SSN needs to be listed also.
- Check to be sure that the amount you enter for Oklahoma withholding matches your W-2's and 1099's.
- Always sign your return. If this is a joint return, be sure both signatures are present.
- If you owe money, make sure your check or money order is made payable to *Oklahoma Tax Commission*, and write your SSN and tax year on the check.
- Enclose any necessary schedules and attachments.
- Be sure to keep a copy of tax documents for your files.
- Double check your figures. Sometimes what looks to be the simplest calculations are the most common mistakes.

Taking the time now to verify this information, will save time in processing your return. ■

Direct Payment Permit Now Available

During the last legislative session a law was passed to provide the issuance of a direct payment permit. This permit is to be used in conjunction with the sales tax permit. This permit allows the holder to make purchases of taxable items, that are not for resale, but are to be used or consumed in the business operation, to remit the sales tax directly to the Commission when the items are used or consumed.

The qualifications to obtain a direct payment permit in addition to having a valid sales tax permit are as follows:

- must be making purchases of \$1,000,000 annually, in taxable items, not for resale, for use in its business operation
- must be in compliance with all tax laws of the State of Oklahoma
- must be able to establish, to the satisfaction of the Commission, that an accounting method is used that clearly distinguishes between taxable and nontaxable purchases
- must agree to accrue and pay all taxes due

There is a \$20 fee for the permit which will be valid and renewable for a three year period.

As with the sales tax permit, when presenting the direct payment permit to make purchases, the retailer or vendor shall not collect the sales or use tax. The direct payment permit holder then is responsible for remitting the tax directly to the Commission when the items are used or consumed in their operation.

If you have questions or would like to obtain an application for a direct payment permit you may contact the Taxpayer Assistance Division at 1 (800) 522-8165 extension 1-3279 or (405) 521-3279. ■

Phone Numbers to the Tax Commission

Taxpayer Assistance		Gross Production	521-3233
	521-3160 or 521-3279	Income Tax	
Ad Valorem	521-3178	Individual	521-3125
Business Registration	521-3279	Corporate	521-3126
Collections	521-3281	Legal	521-3141
Estate	521-3237	Motor Fuel	521-3241
Field Audit	521-3251	Motor Vehicle	521-3221
Forms: FaxBack Service	522-0465	Sales Tax Audit	521-3274
Forms Request:		Sales Tax Telefile	1 (800) 233-2188
Business Forms	521-4667	Toll Free (in Oklahoma only)	
Income Tax Forms	521-3108		1 (800) 522-8165
Franchise Information	521-3161	Withholding	521-3155

All numbers have a 405 area code unless otherwise indicated.

Q&A • continued from page three

may comply with the requirement by maintaining funds specifically designated and segregated as security for the payment of liabilities in an aggregate amount of at least \$1 million.

Questions concerning registration should be directed to the Secretary of State at (405) 521-3911. ■

1997 Upcoming New Business Workshops

The Communications Division of the Tax Commission presents a New Business Seminar at various locations around the state every month.

These workshops are for both new or existing business owners or their designees.

To obtain more information or enroll in an upcoming seminar please call Taxpayer Assistance at (405) 521-3279.

Oklahoma City • 9:00am- Noon
3017 N. Stiles • Stiles Building
March 26
April 9 and 23
May 14 and 28
June 11 and 25

Tulsa • 9:30 am - Noon
440 S. Houston • State Office Bldg
March 25
April 8 and 22
May 13 and 27
June 10 and 24

Ardmore • 9:30 am - Noon
410 West Main
March 28
April 25
May 23
June 27

Midwest City • 1:00 pm - 4:00 pm
Rose State • Tom Steed Center
April 7
May 5
June 2

Enid • 9:00 am - 4:00 pm
Phillips Univ. • Gantz Center
April 2
May 7
June 4

Durant • 9:00 am - 4:00 pm
215 N. 4th
March 27
April 24
May 22
June 26

Hugo • 9:00 am - 4:00 pm
502 W. Duke
March 21
April 18
May 16
June 20

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