

RECENT EXPERIENCES WITH E-FILE MANDATES

FTA Annual Meeting
June 13, 2005

Presently Oklahoma has mandates
for the following tax types:

Income
Withholding
Sales
Use

Income Tax

Any tax return preparer, who prepared more than fifty Oklahoma tax returns for the prior tax year, must file all Oklahoma tax returns for the current year electronically.

No penalty for non-compliance.

We rely on the taxpayer to use a preparer to file the federal/state return or the taxpayer to file using one of the Free File Alliance vendors.

Income Tax Statistics

<u>2002</u> -		516,731
<u>2003</u> -		611,079
<u>2004</u> -	Telefile	23,621
	Online	168,761
	E-file	498,708
	Total	691,090

Withholding

Every employer owing an average of Five Thousand Dollars (\$5,000.00) or more per month in taxes in the previous fiscal year shall file returns electronically.

No penalty for non-compliance.

We provide the QuickTax On-Line Filing System for the taxpayer to file and make payments electronically.

Active Accts. 95,000
Mandated to E-file 3,800
Remitting by E-file 29,000

Sales and Use Tax

Every person owing an average of Two Thousand Five Hundred Dollars (\$2,500.00) or more per month in total sales taxes in the previous fiscal year shall file electronically.

Penalty for non-compliance.

We provide the QuickTax On-Line Filing System for the taxpayer to file and make payments electronically.

Active Accts. 79,000/13,000 = 92,000
Required to e-file 7,845/847 = 8,692
Voluntary e-file 14,365

Sales And Use Tax

October 2000, business with sales tax liability of \$100,000.00 or more per month file and remit twice a month.

April 2001, business with sales tax liability of \$100,000.00 or more per month file report once and pay twice a month.

March 2002, changed the requirement to \$25,000.00

October 2003, changed the requirement to \$2,500.00

Future

- No future mandates anticipated
- Continue to participate in Fed/State program
- Continue to participate with free file alliance
- Continue to increase voluntary participation