



OKLAHOMA
Tax Commission

2024 Oklahoma Corporation Income Tax Forms and Instructions

This packet contains:

- Instructions for Completing Form 512
- Computation of Oklahoma Consolidated Taxable Income Form 512-TI
- Supplemental Schedule for Form 512-TI Form 512-TI-SUP

Filing date:

- Your Oklahoma return is due 30 days after the due date of your federal return.

For assistance:

- See page 13 for methods of contacting the Oklahoma Tax Commission (OTC).

NOTE:

- Pursuant to OAC 710:50-17-1, the Oklahoma Corporation Income Tax Return **must be filed electronically.**

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COMMON ABBREVIATIONS FOUND IN THIS PACKET

- FEIN - Federal Employer Identification Number
- IRC - Internal Revenue Code
- IRS - Internal Revenue Service
- OS - Oklahoma Statutes
- OTC - Oklahoma Tax Commission
- PTE - Pass-Through Entity
- Sec. - Section(s)

HELPFUL HINTS

- Refunds must be made by direct deposit. Failure to supply direct deposit information will delay the processing of the refund.
- Check your FEIN on all forms and schedules.
- The request for your FEIN is authorized by Section 405, Title 42, of the United States Code. You must provide this information. It will be used to establish your identity for tax purposes only. **Important:** If you do not have a FEIN, you may obtain one online at irs.gov or by calling 800.829.4933. If you would prefer to file a paper application, contact the IRS and request Form SS-4.
- Check your calculations carefully.
- Fiscal year dates are a common problem. If you file based on a fiscal year, please list dates on top of form where indicated.
- **Provide** a complete copy of your federal return, and all required schedules. Failure to do so can slow down the processing of your return.
- When complete, make copies of all the documents for your records.
- Don't forget to sign your tax returns.
- The Oklahoma Tax Commission is not required to give actual notice to taxpayers of changes in any state tax law.

WHAT'S NEW IN THE 2024 OKLAHOMA TAX PACKET?

- Franchise tax is revoked effective for tax year 2024.
- If 100% Oklahoma depreciation was claimed for a previous year, the depreciation must be added back on Part 1, Line 10, Column B or Part 2, Line 6 to avoid duplication. For corporations filing Part 2, the apportioned depreciation claimed in the first year should be added back to Oklahoma taxable income in subsequent years.

GENERAL FILING INFORMATION

WHO MUST FILE

Any corporation doing business within or deriving income from sources within Oklahoma is required to file an Oklahoma Corporation Income Tax Return, whether or not a tax is due.

Note: Small Business Corporations (Subchapter S) must use Form 512-S.

TIME AND PLACE FOR FILING

Corporate returns shall be due no later than 30 days after the due date established under the Internal Revenue Code (IRC). In the case of complete liquidation or the dissolution of a corporation, the return shall be made on or before the 15th day of the fourth month following the month in which the corporation is completely liquidated. When the last date for filing any document or performing any act required by the Oklahoma Tax Commission (OTC) falls on a day when the offices are not open for business, the filing of the document or performance of the act shall be considered timely if it is performed by the end of the next business day.

A valid extension of time in which to file your federal return automatically extends the due date of your Oklahoma return if no Oklahoma liability is owed. A copy of the federal extension must be provided with your Oklahoma return. If your federal return is not extended, or an Oklahoma liability is owed, an extension of time to file your Oklahoma return may be granted on Form 504-C. The Form 504-C must be filed on or before the due date of the return. To avoid delinquent penalty for late payment of income tax, 90% of the income tax liability must be paid with the extension. To avoid delinquent interest for late payment of income tax, 100% of the income tax liability must be paid with the extension.

Electronic filing is required pursuant to OAC 710:50-17-1.

FISCAL YEAR AND SHORT PERIOD RETURNS

For all fiscal year and short period returns, the beginning and ending dates of the tax year must be shown on the top portion of the return where indicated. Omission of this information may cause a significant delay in the processing of the return and no interest will accrue on any refund pending.

CONSOLIDATED RETURNS

If a federal consolidated return is filed, an Oklahoma consolidated return may be required or permitted under certain circumstances.

An election to file a separate or consolidated return is made with the timely filing of the original return. This election cannot be changed with the filing of an amended return. If an affiliated group of corporations elects to file a consolidated Oklahoma income tax return, such election shall be binding. The affiliated group of corporations shall be required to file a consolidated Oklahoma income tax return for all future tax years unless the OTC releases the affiliated group of corporations from such election.

In filing a Consolidated Income Tax Return for Oklahoma, the Oklahoma taxable income for each corporation is computed separately on its own factors and then combined for one total income upon which the tax is computed. **Complete Form 512-TI (Computation of Oklahoma Consolidated Taxable Income) to determine the combined taxable income to report on page 1, line 1 of Form 512. Submit separate Form 512, pages 3-8 for each company within the consolidation.**

Provide a copy of the federal consolidated return with an income statement, balance sheet, M-1, M-2, M-3 and supporting schedules for each member of the consolidated group. 68 Oklahoma Statutes (OS) Sec. 2367.

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SPECIAL INSTRUCTIONS REGARDING FORM 512, PAGES 7 AND 8

Complete Pages 7 and 8 or attach a copy of the Federal Form 1120 Schedules L, M-1 and M-2. Corporations that are not required to complete Federal Form 1120 Schedules L, M-1 and M-2 are still required to complete the Oklahoma Form 512, Pages 7 and 8 - Balance Sheets, Reconciliation of Income per Books with Income per Return (OK M-1) and Analysis of Unappropriated Retained Earnings per Books (OK M-2).

Corporations that are not required to complete Federal Form 1120 Schedule M-1 due to the requirement to complete Schedule M-3 must either complete the Oklahoma Schedule M-1 or **provide** a copy of the Federal Schedule M-3.

DECLARATION OF ESTIMATED TAX

Corporations must make estimated tax payments when the tax liability for the current year can reasonably be expected to be \$500 or more. The estimated tax payments shall be the lesser of 70% of your current year's tax liability or 100% of the tax liability shown on your return for the preceding taxable year of 12 months.

The estimated tax payments shall be paid in four equal* installments of:

- One-quarter on or before the 15th day of the fourth month of the taxable year;
- One-quarter on or before the 15th day of the sixth month of the taxable year;
- One-quarter on or before the 15th day of the ninth month of the taxable year; and
- One-quarter on or before the 15th day of the first month of the succeeding taxable year.

Amended declarations may be filed on any of the payment dates. Corporations filing estimated payments use Form OW-8-ESC, which can be obtained at tax.ok.gov.

*For purposes of determining the amount of tax due on any of the respective dates, taxpayers may compute the tax by placing taxable income on an annualized basis as prescribed in Rule 710:50-13-9.

Estimated payments can be made electronically through OTC's website. Visit OKTAP at tax.ok.gov, and select the **Make a Payment** link.

There is no provision in the present law for tentative returns.

AMENDED RETURNS

Beginning with tax year 2013, the Form 512 will be used to file an amended return. See Form 512, page 9 for complete instructions. **Overpayments cannot be applied to next year's estimated tax. Line 13 cannot be amended or changed once the original return has been processed.** See 68 OS Sec. 2373 for the statute of limitations for refunds.

ADJUSTMENTS BY INTERNAL REVENUE SERVICE (IRS)

Taxpayers who file "consents" extending the time for making federal adjustments automatically extend the time for making state adjustments. The taxpayer is also required to file an amended return reporting all IRS adjustments. A copy of the finalized RAR must be provided with each return.

BANKS AND CREDIT UNIONS

State and national banks and state credit unions are subject to an "In Lieu" tax. See 68 OS Sec. 2370. When reporting income on Part 1, line(s) 5 and/or 6b, **provide** a detailed schedule of the interest income by source and amount. Expense deductions claimed in arriving at taxable income shall be reduced by an amount equal to 50% of excluded interest income on obligations of the United States government or agencies thereof and obligations of the State of Oklahoma or political subdivisions thereof.

REAL ESTATE INVESTMENT TRUSTS

A real estate investment trust that does not become regularly traded on an established securities market within one year of the date on which it first becomes a real estate investment trust shall be deemed not to have been regularly traded on an established securities market, retroactive to the date it first became a real estate investment trust. An amended return shall be filed reflecting such retroactive designation for any tax year or part year occurring during its initial year of status as a real estate investment trust. For purposes of this paragraph, a real estate investment trust becomes a real estate investment trust on the first day it has met the requirements of Section 856 of the IRC and has elected to be treated as a real estate investment trust pursuant to IRC Section 856(c)(1). 68 OS Sec. 2358.

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OKLAHOMA NET OPERATING LOSS DEDUCTION

Note: The amount of any net operating loss (NOL) deduction claimed on Part 1, line 29a or Part 2, line 6e, must also be entered on the front of Form 512 in the space provided at the top of the form. There is also a space provided to enter the loss year(s).

The amount of any federal NOL deduction shall be adjusted as follows:

Oklahoma NOLs are computed independently, referencing IRC Section 172. Effective from 2018 onward, the Tax Cuts and Jobs Act (TCJA) eliminated the two-year carryback provision for NOLs, except for specific farm losses and property and casualty insurance companies. The TCJA also introduced an unlimited carryforward period for NOLs and established an 80% limitation on the amount allowed as a “net operating loss deduction” for NOLs arising after December 31, 2017. Additionally, losses attributable to federally declared disasters can be carried back up to 5 years, and certain specified liability losses, such as those from product liability and workers’ compensation claims, may be carried back for 10 years, contingent upon meeting the requirements outlined in IRC Section 172(f).

Provide a detailed schedule for any NOL carried forward to the current tax year.

When a net operating loss carryback is required by federal provisions, an election may be made to forego the carryback period. A written statement of the election must be part of the original timely filed Oklahoma loss-year return. If the corporation timely filed its return for the loss-year without making the election, it may make the election on an amended return filed within six months of the due date of the loss year return (excluding extensions). Attach the election to the amended return. Once made, the election is irrevocable.

LINE BY LINE INSTRUCTIONS

GENERAL INSTRUCTIONS FOR DETERMINING OKLAHOMA TAXABLE INCOME

INCOME COMPUTATION

Beginning with federal taxable income, proper adjustments are to be made to arrive at Oklahoma taxable income. Some of the adjustments may be to add interest income from obligations of state and political sub-divisions thereof, and to deduct interest from U.S. obligations. Oil and mining production or royalties and gain or loss from disposition of such property shall be allocated according to their situs. General and administrative expenses, such as interest expense, etc., will ordinarily be allocated on the basis of Oklahoma direct expense to total direct expense.

SAFETY PAYS OSHA CONSULTATION SERVICE EXEMPTION

(Part 1, line 26, column B or Part 2, line 3)

An employer that is eligible for and utilizes the Safety Pays OSHA Consultation Service provided by the Oklahoma Department of Labor shall receive a \$1,000 exemption for the tax year the service is utilized. Employers must be able to substantiate their participation in the Oklahoma Department of Labor’s Safety Pays OSHA Consultation Service upon request.

QUALIFIED REFINERY PROPERTY

(Part 1, line 10, column B or Part 2, line 2)

If the election was made to expense the cost of qualified Oklahoma refinery property placed in service before January 1, 2012, on a previous year’s Oklahoma return, the depreciation deduction claimed on the federal return for such property must be added back to arrive at Oklahoma taxable income. This addition must be made regardless of whether the expense was claimed on the corporate return or allocated to its owners. 68 OS Sec. 2357.204.

COST OF COMPLYING WITH SULFUR REGULATIONS

A qualified refinery may make an irrevocable election to allocate all or a portion of the cost of complying with sulfur regulations issued by the Environmental Protection Agency as a deduction allowable to its owners. The allocation for each person is equal to the ratable share of the total amount allocated, determined on the basis of the ownership interest of the person. The taxable income of the refinery shall not be reduced by the reason of any amount allowed under this section. 68 OS Sec. 2357.205.

If You Are the Refinery -

To make the election, attach a schedule stating your corporate name and FEIN, a list of the costs of complying with sulfur regulations, some or all of which are being allocated to your owners, and the portion of such costs allocated to each owner, including the owner’s name and federal identification number. You shall also provide each owner with written notice of the amount of the allocation. The notice must include your corporate name and FEIN and the owner’s name and federal identification number.

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COST OF COMPLYING WITH SULFUR REGULATIONS(CONTINUED)

If You Are the Owner -

(Part 1, line 26, column B or Part 2, line 6)

Deduct the portion of the cost of complying with sulfur regulations that have been allocated to you. Attach the written notice of the allocation received from the refinery.

OKLAHOMA CAPITAL GAIN DEDUCTION:

(Part 1, line 25, column B or Part 2, line 6d)

Corporations can deduct qualifying gains receiving capital treatment that are included in federal taxable income.

“Qualifying gains receiving capital treatment” means the amount of the net capital gains, as defined under IRC Section 1222(11). The qualifying gain must:

- 1) Be earned on real or tangible personal property located within Oklahoma that you have owned, either directly or indirectly, for at least five uninterrupted years prior to the date of the sale;
- 2) Be earned on the sale of stock or ownership interest in an Oklahoma headquartered company, limited liability company or partnership where such stock or ownership interest has been owned, either directly or indirectly, by you for at least three uninterrupted years prior to the date of the sale; or
- 3) Be earned on the sale of real property, tangible personal property or intangible personal property located within Oklahoma as part of the sale of all or substantially all of the assets on an Oklahoma company, limited liability company or partnership where such property has been directly or indirectly owned by such entity or owned by the owners of such entity, and used in or derived from such entity for a period of at least three uninterrupted years prior to the date of the sale.

Provide Form 561-C, a copy of your Federal Schedule D and Form 8949 or 4797, when applicable.

AGRICULTURAL COMMODITY PROCESSING FACILITY EXCLUSION:

(Part 1, line 26, column B or Part 2, line 6)

Owners of agricultural commodity processing facilities may exclude 15% of their investment costs in a new or expanded agricultural commodity processing facility located within Oklahoma. Agricultural commodity processing facility means building, structures, fixtures and improvements used or operated primarily for the processing or production of agricultural commodities to marketable products. The investment is deemed made when the property is placed in service.

Under no circumstances shall this exclusion lower your taxable income below zero. In the event the exclusion does exceed taxable income, any unused portion may be carried over for a period not to exceed six years. A schedule must be provided showing the type of investment(s), the cost of the investment and the date placed in service.

CAPTIVE REAL ESTATE INVESTMENT TRUSTS:

(Part 1, line 10, column B or Part 2, line 2)

A captive real estate investment trust, which is subject to federal income tax, is required to add-back the dividends-paid deduction otherwise allowed by federal law in computing net income. 68 OS Sec. 2358.

INDIAN EMPLOYMENT EXCLUSION:

(Part 1, line 26, column B or Part 2, line 3)

All qualified wages equal to the Federal Indian Employment Credit set forth in 26 U.S.C.A., Section 45A, shall be deducted from taxable income. Deduct on the Oklahoma return, an amount equal to the reduction of salaries and wages reported on the federal return as a result of the Form 8845 (Indian Employment Credit). The deduction allowed shall only be permitted for the tax years in which the federal credit is allowed, even if not used in such year because of tax liability limitations. **Provide** a copy of the federal return, Form 8845 and if applicable, Form 3800.

DEDUCTION FOR QUALIFIED EQUITY INVESTMENTS:

(Part 1, line 26, column B or Part 2, line 3)

Corporations may deduct qualified equity investments in an eligible Oklahoma venture capital company. The deduction may not exceed \$25 million by an accredited investor during a taxable year and may not reduce Oklahoma taxable income below zero. 68 OS Sec 2358.110. **Provide** Form 582-I (available at tax.ok.gov).

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DEDUCTION FOR QUALIFIED PROPERTY

(Part 1, line 20, column B, or Part 2, line 3)

Corporations can deduct the cost of qualified property or qualified improvement property placed in service, under IRC Section 168K, with eligibility for 100% Oklahoma bonus depreciation. Any Oklahoma bonus depreciation exceeding federal depreciation can be deducted on Part 1, Line 20, Column B, or Part 2, Line 3, to avoid duplicating federal depreciation.

Note: If 100% Oklahoma depreciation was claimed on a previous year's Oklahoma return, it cannot duplicate depreciation claimed on the federal return. Any duplicated depreciation from prior years must be added back on Part 1, Line 10, Column B, or Part 2, Line 6. For corporations filing Part 2, the apportioned depreciation from the first year will be used to adjust Oklahoma taxable income in subsequent years.

PAGES THREE AND FOUR - PART 1

Part 1, Column A is to be completed by all corporations. All corporations start with Part 1.

Part 1, Column B is to be used by all corporations domesticated in Oklahoma deriving all of their income within Oklahoma or by corporations whose business within and without Oklahoma is oil and gas production, mining, farming, income from PTEs or rental. This should be completed using the direct accounting method.

Income (loss) shall be allocated in accordance with the situs of such property. Overhead expense shall be allocated on the basis of direct expense in Oklahoma to the total direct expense everywhere.

Line 5 - Interest on U.S. Government Obligations

If you report interest on bonds, notes, and other obligations of the U.S. on your federal return, it may be excluded from your Oklahoma income if a detailed schedule is furnished, accompanied with 1099s showing the amount of interest income and the name of the obligation from which the interest is earned. If the income is from a mutual fund that invests in U.S. Government obligations, **provide** documentation from the mutual fund to substantiate the percentage of income derived from obligations exempt from Oklahoma tax. **Interest from entities such as FNMA & GNMA does not qualify.**

Line 6a - Other Interest

Accounts receivable interest income and interest income from investments held to generate working capital shall be allocated to Oklahoma on the basis of direct expense.

All other intangible income (loss) shall be allocated in accordance with the situs of the corporation.

Line 6b - State and Municipal Interest

Corporations domiciled in Oklahoma that receive income on bonds issued by any state or political subdivision thereof, exempt from federal taxation but not exempt from taxation by the laws of the State of Oklahoma, shall add the total of such income to arrive at Oklahoma income.

- 1) Income from all bonds, notes or other obligations issued by the State of Oklahoma, the Oklahoma Capital Improvement Authority, the Oklahoma Municipal Power Authority, the Oklahoma Student Loan Authority, and the Oklahoma Transportation Authority (formerly Turnpike Authority) is exempt from Oklahoma income tax. The profit from the sale of such bond, note or other obligations shall be free from taxation.
- 2) Income from local Oklahoma governmental obligations issued after July 1, 2001, other than those provided for in 1, is exempt from Oklahoma income tax. The exceptions are those obligations issued for the purpose of providing financing for projects for nonprofit corporations. Local governmental obligations shall include bonds or notes issued by, or on behalf of, or for the benefit of Oklahoma educational institutions, cities, towns, or counties or by public trusts, of which any of the foregoing is a beneficiary.
- 3) Income from Oklahoma state and municipal bonds issued prior to July 2, 2001, other than those provided for in 1, is exempt from Oklahoma income tax only if so provided by the statute authorizing their issuance.
- 4) Income on bonds issued by another state or political subdivision thereof (non-Oklahoma) exempt from federal taxation is taxable for Oklahoma income tax.

Provide a schedule of all municipal interest received by source and amount. If the income is from a mutual fund that invests in state and local government obligations, **provide** documentation from the mutual fund to substantiate the percentage of income derived from obligations exempt from Oklahoma tax.

Note: If the interest is exempt, the capital gain/loss from the sale of the bond may also be exempt. The gain/loss from sale of a state or municipal bond, other than those provided for in 1, is exempt only if so provided by the statute authorizing its issuance.

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Line 7 and 8 - Rents and Royalties

Income from real or tangible personal property, lease royalty or bonus shall be allocated in accordance with the situs of the property.

Line 9 - Gains or Losses

Gains or losses from the sale of leases and gains or losses from the sale of real and tangible personal property shall be allocated in accordance with the situs of the property.

Line 10 - Other Income (column B)

Rents and interest expenses paid to a captive real estate investment trust and deducted on your federal return must be added back to compute Oklahoma taxable income. Such add-back is not required if the captive real estate investment trust is subject to the add-back for the dividends-paid deduction. See "Captive Real Estate Investment Trusts" on page 6.

If you are a member, either directly or indirectly, of an electing PTE, **provide** a schedule listing the electing PTE, federal identification number, federal taxable income (loss) and Oklahoma taxable income (loss) that is covered by the election pursuant to the provisions of the Pass-Through Entity Act of 2019. 68 OS Sec. 2355.1P-4

Line 12 through 26 - Expenses

Expenses relative to the income above shall be allocated directly to that income.

PAGES FIVE AND SIX - PART 2

Part 2 is to be used by corporations conducting a business of a unitary nature. A unitary business is one whose income is derived from the conduct in more than one state of a single business enterprise, all the factors of which are essential to the realization of an ultimate gain derived from the enterprise as a whole, and not from its component parts, which are too closely connected and necessary to each other to justify division or separate allocation.

Generally, the resulting amount is apportioned to Oklahoma based on the three-factor formula. The basis of the apportionment is the arithmetical average of three factors consisting of property, payroll and sales. If fewer than three factors are present, the resulting amount is apportioned to Oklahoma on a two-factor or single-factor formula consisting of the arithmetical average of the factors present. A factor is considered present if there is a denominator.

Note: Factors are not computed from the consolidated totals. Each factor is a ratio of the total within Oklahoma to the total everywhere. For income apportioned to Oklahoma, there is to be added all income separately allocated to Oklahoma with the result being Oklahoma taxable income. 68 OS Sec. 2358

Line 1 - Federal Taxable Income

Enter Net Taxable Income from Part 1, column A, line 30.

Line 2 - Additions

Deductions relating to income that is separately allocated shall not be allowed and will be entered here.

Rents and interest expenses paid to a captive real estate investment trust and deducted on your federal return must be added back to compute Oklahoma taxable income. Such add-back is not required if the captive real estate investment trust is subject to the add-back for the dividends-paid deduction. See "Captive Real Estate Investment Trusts" on page 6.

Line 3 - Deductions

Income from U.S. obligations (see page 7, Part 1 instructions) and net income separately allocated (oil and gas production, mining, farming, PTEs or rentals) will be entered here. Gains or losses from sale of intangible personal property that is directly allocated should also be entered here.

Line 6 - Oklahoma Additions and Deductions

Income separately allocated to Oklahoma should be entered here. (Examples: interest income from state obligations or political subdivisions, oil and gas production, mining, farming, rentals, the Oklahoma distributable income from pass-throughs, etc.)

If you are a member, either directly or indirectly, of an electing PTE, **provide** a schedule listing the PTE, FEIN, federal taxable income (loss) and Oklahoma taxable income (loss) in line 1 that is covered by the election pursuant to the provisions of the Pass-Through Entity Act of 2019 (68 OS Sec. 2355.1P-4).

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Line 8 - Oklahoma Accrued Tax

Oklahoma accrued tax is computed by dividing line 7 (Oklahoma Net Income before Oklahoma Income Tax) by 26.

When filing a consolidated return, complete Form 512-TI. The accrual of Oklahoma state income tax must be made after the combination of the income and loss from all companies included in the combination. The accrued tax cannot be less than zero.

When credits are allowed, the accrual of Oklahoma tax will not be allowed on the amount of Oklahoma taxable income that is covered by the credit. Tax accrual is allowed on the amount of income for which tax is actually paid. The following example shows how the accrual should be calculated. A schedule, like the example, should be provided and submitted with Form 512.

Computation of Tax Accrual When Tax Credits Are Allowable

1. Oklahoma income before tax accrual	100,000
2. Allowable Oklahoma credits	3,000

Computation of accrued tax allowed

A. Oklahoma income (line 1 above)	100,000
B. Line 2 above divided by 4%	75,000
C. Subtract line B from line A	25,000
D. Divide line C by 26	962
(If line D is less than zero, enter "0")	
3. Subtract line D from line 1 above	99,038

(Enter line 3 above on Page 1, line 1 of your Oklahoma Corporation Income Tax Form 512)

Total tax due	3,962
Tax accrual allowed	962
Tax credit allowed	3,000

PAGE ONE - SECTION ONE

Line 2 - Tax

The income tax rate is 4%.

Recapture of Oklahoma Affordable Housing Tax Credit

If under IRC Section 42 a portion of any federal low-income housing credits taken on a qualified project is required to be recaptured during the first 10 years after a project is placed in service, the taxpayer claiming Oklahoma Affordable Housing Tax Credits with respect to such project shall also be required to recapture a portion of such credits. The amount of Oklahoma Affordable Housing Tax Credits subject to recapture is proportionally equal to the amount of federal low-income housing credits subject to recapture. Add the recaptured credit to the Oklahoma income tax and enter a "1" in the box.

Making an Oklahoma Installment Payment Pursuant to IRC Section 965(h)

If a taxpayer elected to make installment payments of tax due pursuant to the provisions of subsection (h) of Section 965 of the IRC, such election may also apply to the payment of Oklahoma income tax, attributable to the income upon which such installment payments are based. Add the installment payment to the Oklahoma income tax and enter a "2" in the box. **Provide** a schedule of the tax computation. 68 OS Sec. 2368(K)

Line 3 - Other Credits

The amount of other credits as claimed on Form 511-CR should be entered on this line. Enter in the box the number that corresponds with the credit to which you are entitled. Enter "99" if entitled to more than one credit. See below for a list of the credits available on Form 511-CR.

If you are claiming any of the credits on Form 511-CR, **provide** the form, and any applicable forms or schedules, with your Form 512 return.

Form 511-CR can be obtained from our website at tax.ok.gov.

Tax credits transferred or allocated must be reported on Form 569. Failure to file Form 569 will result in the affected credits being denied by the OTC pursuant to 68 OS Sec. 2357.1A-2.

- Oklahoma Investment/New Jobs Credit

Provide Form 506.

68 OS Sec. 2357.4 and Rule 710:50-15-74.

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Line 3 - Other Credits (continued)

- Credit for Verified Blood Donation
68 OS Sec. 2357.406.
- Credit for Investment in a Clean-Burning Motor Vehicle Fuel Property
Provide Form 567-A.
68 OS Sec. 2357.22 and Rule 710:50-15-81.
- Small Business Guaranty Fee Credit (for Banks and Credit Unions)
Provide Form 529.
68 OS Sec. 2370.1.
- Credit for Tourism Development or Qualified Media Production Facility
68 OS Sec. 2357.34 - 2357.40.
- Credit for Qualified Rehabilitation Expenditures
68 OS Sec. 2357.41 and Rule 710:50-15-108.
- Credit for Electricity Generated by Zero-Emission Facilities
68 OS Sec. 2357.32A.
- Credit for Financial Institutions Making Loans under the Rural Economic Development Loan Act
68 OS Sec. 2370.1.
- Credit for Strategic Industrial Development Enhancement (SIDE) Projects
68 OS Sec. 2357.105.
- Credit for Railroad Modernization
68 OS Sec. 2357.104 and Rule 710:50-15-103.
- Credit for Biomedical Research Contribution
68 OS Sec. 2357.45 and Rule 710:50-15-113.
- Credit for Employers in the Aerospace Sector
Provide Form 565.
68 OS Sec. 2357.301, 2357.302 and 2357.303 and Rule 710:50-15-109.
- Credit for Cancer Research Contribution
68 OS Sec. 2357.45 and Rule 710:50-15-113.
- Oklahoma Capital Investment Board Tax Credit
74 OS Sec. 5085.7.
- Credit for Contributions to a Scholarship-Granting Organization
68 OS Sec. 2357.206 and Rule 710:50-15-114.
- Credit for Contributions to an Educational Improvement Grant Organization
68 OS Sec. 2357.206 and Rule 710:50-15-115.
- Credit for Venture Capital Investment
Provide Form 518-A or 518-B.
68 OS Sec. 2357.7 & 8 and Rule 710:50-15-77 & 78.
- Oklahoma Affordable Housing Tax Credit
68 OS Sec. 2357.403.
- Credits for Employers in the Vehicle Manufacturing Industry
Provide Form 585.
68 OS Sec. 2357.404 and Rule 710:50-15-116
- Credit for Oklahoma Rural Jobs
68 OS Sec. 3930 - 3937
- Credits for Contributions to an Eligible Public School Foundation or Public School District
68 OS Sec. 2357.206 and Rule 710:50-15-115

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PAGE ONE - SECTION TWO

Line 7 - Oklahoma Withholding

1. Enter the Oklahoma income tax withheld from your royalty payments.
2. Oklahoma income tax is withheld from distributions made by PTEs to nonresident members, unless such nonresident member has filed a withholding exemption affidavit (Form OW-15). If you are a nonresident member of a PTE who has not filed an affidavit, Oklahoma income tax should have been withheld on distributions of Oklahoma taxable income. Enter the Oklahoma income tax withheld on your distribution.

Provide the Form 500-A, Form 1099-MISC, Form 500-B, Form K-1 or other documentation to substantiate Oklahoma withholding.

Line 8 - Refundable Credits

Credit from Form 578.

If claiming the **Refundable Credit for Electricity Generated by Zero-Emission Facilities**, **provide** Form 578. Credits earned, but not used, based on electricity generated during the tax year may be refunded to the taxpayer at 85% of the face amount of the credits. A PTE that does not file a claim for a direct refund may allocate the credit to one or more of its shareholders, partners or members.

PAGE TWO - SECTION THREE

Line 14 - Donations

You have the opportunity to make a financial gift from your refund to a variety of Oklahoma organizations. Enter the amount of your donation and place the number of the organization in the box on line 14 of Form 512. If you give to more than one organization, put a "99" in the box and attach a schedule showing how you would like your donation split.

1 Support of Programs for Volunteers to Act as Court Appointed Special Advocates for Abused or Neglected Children

You may donate from your tax refund to support programs for volunteers to act as Court Appointed Special Advocates for abused or neglected children. Donations will be placed in the Income Tax Checkoff Revolving Fund for Court Appointed Special Advocates. Monies will be expended by the Office of the Attorney General for the purpose of providing grants to the Oklahoma CASA Association. If you are not receiving a refund, you may still donate. Mail your contribution to: Oklahoma CASA Association, Inc., PO Box 54946, Oklahoma City, OK 73154.

2 Y.M.C.A. Youth and Government Program

You may donate from your tax refund to support the Oklahoma chapter of the Y.M.C.A. Youth and Government program. Monies donated will be expended by the State Department of Education for the purpose of providing grants to the Program so young people may be educated regarding government and the legislative process. If you are not receiving a refund, you may still donate. Mail your contribution to: Oklahoma State Department of Education, Y.M.C.A. Youth and Government Program, Office of the Comptroller, 2500 North Lincoln Boulevard, Room 415, Oklahoma City, OK 73105-4599.

3 Support the Wildlife Diversity Fund

You may donate from your tax refund to help conserve rare or declining fish and wildlife along with common species not hunted or fished. Donations to the Oklahoma Department of Wildlife Conservation's Wildlife Diversity program supports field surveys of animals considered to be of greatest conservation need, as well as educational wildlife programs for all Oklahomans. Tax deductible donations to the Wildlife Diversity Fund also can be made at wildlifedepartment.com or by mail: Oklahoma Department of Wildlife Conservation, Re: Wildlife Diversity Fund, PO Box 53465, Oklahoma City, Oklahoma 73152.

Line 16 - Refund

Complete the direct deposit section on the tax return to have the refund deposited into your account at a bank or other financial institution. See "Direct Deposit Information" on page 13 for details.

2024 OKLAHOMA CORPORATION TAX PACKET

PAGE TWO - SECTION FOUR

Line 18 - Underpayment of Estimated Tax Interest

All corporations are required to make estimated tax payments if the tax liability is \$500 or more. To avoid the 20% Underpayment of Estimated Tax Interest, timely filed estimated tax payments are required to be equal to the smaller of 70% of the current year tax liability or 100% of your prior year tax. The tax liability is the tax due less all credits except amounts paid on estimated tax and extension payments.

Place an "X" in the box if the underpayment of estimated tax was computed using the annualized income installment method.

Note: No Underpayment of Estimated Tax Interest shall be imposed if the tax liability shown on the return is less than \$1,000. **Provide** Form OW-8-P.

If an **amended return** is filed before the due date for filing the original return, including any extension, the tax shown on the amended return is used to determine the amount of underpayment. If the amended return is filed after the due date, including extension, the tax shown on the amended return will not be used to compute the amount of underpayment.

Line 19 - Delinquent Penalty and Interest

Interest at the rate of 1.25% per month shall be paid on the tax due from the original due date until paid. **To avoid a delinquent penalty charge of 5% for late payment, 90% of the tax liability must be paid by the original due date of the return.**

WHEN YOU ARE FINISHED

Payments may be made electronically online using OkTAP at tax.ok.gov or by check or money order payable to "Oklahoma Tax Commission." For proper account application, **provide** a tax payment voucher (Form EF-V) or an estimated tax coupon (Form OW-8-ESC) with your check or money order. Estimated income tax payments should be made separately. **Do not** include a copy of your return with your mailed payment.

Mailed payments should be sent to : **Oklahoma Tax Commission
PO Box 26890
Oklahoma City, OK 73126-0890**

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GET YOUR REFUND FASTER. USE DIRECT DEPOSIT!

Complete the direct deposit section on the tax return to have the refund directly deposited into your account at a bank or financial institution. Refunds, with limited exceptions, must be made by direct deposit.

- 1** Place an 'X' in the appropriate box as to whether the refund will be going into a checking or savings account. Keep in mind you will not receive notification of the deposit.
- 2** Enter your routing number. The routing number must be nine digits. Using the sample check shown below, the routing number is **120120012**. If the first two digits are not 01 through 12 or 21 through 32, the direct deposit will fail to process.
- 3** Enter your account number. The account number can be up to 17 characters (both numbers and letters). Include hyphens but omit spaces and special symbols. Enter the number from left to right. On the sample check shown below, the account number is **2020268620**.

Note: The OTC is not responsible if a financial institution refused a direct deposit. If a direct deposit is refused, a check will be issued to the address shown on the tax return.

WARNING! Due to electronic banking rules, the OTC will NOT allow direct deposits to or through foreign financial institutions. If you use a foreign financial institution, you will be issued a paper check.

The image shows a sample check from Anyplace Bank. The check is addressed to Joe Smith and Susie Smith at 123 Main Street, Anyplace, OK 00000. The check is payable to the order of 'SAMPLE' for an amount of \$1234. The routing number is 120120012 and the account number is 2020268620. A callout labeled 'Routing Number' points to the routing number field, and another callout labeled 'Account Number' points to the account number field. A note at the bottom right states: 'Note: The routing and account numbers may appear in different places on your check.'

THE OKLAHOMA TAX COMMISSION IS JUST ONE CLICK AWAY FOR YOUR CONVENIENCE, 24/7



tax.ok.gov



Location

Oklahoma City: 300 North Broadway Ave.
Monday - Friday 7:30 a.m. - 4:30 p.m.



Taxpayer Resource Center

Monday - Friday 8:00 a.m. - 5:30 p.m.
405.521.3160

Stay Connected

