

Pass-Through Entity Tax Equity Act of 2019, hereafter called Act. 68 O.S. Sec 2355.1P-1 through 2355.1P-4.



FORM 586
Revised 2020

Mail to: Oklahoma Tax Commission
Attn: Pass-through Election
PO Box 269060
Oklahoma City, OK 73126-9060

PTE Election Form Information

Any entity required to file an Oklahoma partnership income tax return or an Oklahoma S corporation income tax return may elect to become an electing PTE. **Complete Part 1 to make such an election.** This election has priority over and revokes any election to file a composite Oklahoma partnership return or the requirement of an S corporation to report and pay tax on behalf of a nonresident shareholder for the same tax year. An election made by one PTE is not binding on any other PTE. Each PTE must make its own election.

This election is binding until revoked by the PTE or by the OTC. The PTE may **revoke the election by completing Part 2.** If the amount of tax required to be paid by the PTE pursuant to the provisions of the Act is not paid when due, the OTC may revoke the PTE's election effective for the first year for which the tax is not paid.

The OTC will send an acknowledgement letter to each electing PTE.

Each electing PTE must attach a copy of the OTC acknowledgement letter to their Oklahoma income tax return.

Note: Form 586 is not required to be submitted with the OTC acknowledgment letter.

Each electing PTE must provide their shareholders, partners, or members a copy of the OTC acknowledgement letter and advise the shareholder, partner or member of the requirement to attach a copy of the acknowledgement letter to their Oklahoma income tax return.

Part 1 – Filing the Election

For Tax Years beginning on or after January 1, 2019, and prior to January 1, 2020, the election must be filed:

- No later than June 28, 2019.

For Tax Years beginning on or after January 1, 2020, the election must be filed:

- Anytime during the preceding tax year or
- Two months and fifteen days after the beginning of the tax year.

Part 2 – Revoking the Election

The effective date of a revocation:

- Revocations made within two months and 15 days of the beginning of the electing PTE's taxable year will be effective the first day of such taxable year.
- Revocations made during the electing PTE's taxable year but after such fifteenth day will be effective on the first day of the following taxable year.

Who Must Sign

If the electing PTE is required to file an Oklahoma partnership return, this form is to be signed by a partner or a member who is authorized to sign and file such income tax return.

If the electing PTE is required to file an Oklahoma Small Business Corporation (S corporation) return, this form is to be signed by a corporate officer or a member who is authorized to sign and file such income tax return.