

ENROLLED SENATE
BILL NO. 269

BY: ROZELL and ROBINSON of the
SENATE

and

GRIESER, APPLE, WIDENER and
VAUGHN (George) of the
HOUSE

AN ACT RELATING TO REVENUE AND TAXATION;
AMENDING 68 O.S. 1981, SECTION 1355, AS LAST
AMENDED BY SECTION 3 OF ENROLLED SENATE BILL NO.
1 OF THE 1ST EXTRAORDINARY SESSION OF THE 43RD
OKLAHOMA LEGISLATURE, WHICH RELATES TO THE SALES
TAX CODE; MODIFYING EXEMPTION FROM TAX FOR
CERTAIN LEASES; AND DECLARING AN EMERGENCY.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 68 O.S. 1981, Section 1355, as last amended by Section 3 of Enrolled Senate Bill No. 1 of the 1st Extraordinary Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 1355. Exemptions - Subject to other tax.

There are hereby specifically exempted from the tax levied pursuant to the provisions of this article:

(A) Sale of gasoline or motor fuel on which the Motor Fuel Tax, Gasoline Excise Tax, or Special Fuels Tax levied in Article 5, 6, or 7 of this title has been, or will be paid;

(B) Sale of motor vehicles or any optional equipment or accessories attached to motor vehicles on which the Oklahoma Motor Vehicle Excise Tax levied in Article 21 of this title has been, or will be paid;

(C) Sale of crude petroleum or natural or casinghead gas and other products subject to gross production tax pursuant to the provisions of Articles 10 and 11 of this title. This exemption shall not apply when such products are sold to a consumer or user for consumption or use, except when used for injection into the earth for the purpose of promoting or facilitating the production of oil or gas. This subsection shall not operate to increase or repeal the gross production tax levied by the laws of this state;

(D) Sale of aircraft on which the tax levied pursuant to the provisions of Sections 6001 through 6004 of this title has been, or will be paid or which are specifically exempt from such tax pursuant to the provisions of Section 6003 of this title. Provided that the

provisions of this paragraph shall not become operative until July 1, 1984;

(E) Sales from coin-operated devices on which the fee imposed by Sections 1501 through 1513 of this title has been paid; and

(F) Leases of twenty-four (24) months or more of motor vehicles in which the owners of the vehicles have paid the vehicle excise tax levied by Section 2103 of this title. ~~Provided any such lease exempt from the tax levied pursuant to the provisions of this article which is terminated prior to the expiration of the original term shall be subject to the tax levied by this article in an amount equal to the amount of tax which would have been due without the exemption plus a penalty of twenty percent (20%) of the principal amount of tax which would have been due; provided, however, the penalty provided by this subsection shall not apply if the original lessee acquires title to the leased vehicle within the original term of the lease.~~

SECTION 2. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 22d day of April, 1991.

President of the Senate

Passed the House of Representatives the 29th day of April, 1991.

Speaker of the House of Representatives