

ENROLLED SENATE
BILL NO. 853

BY: FISHER, CAPPS, MUEGGE, LONG
(Ed) and WILLIAMS (Penny)
of the SENATE

and

TYLER, BOYD, COTNER, MASS,
ROACH, SATTERFIELD, SMITH
(Dale), TAYLOR, WILLIAMS,
YORK, SEIKEL, ISAAC and
HAMILTON (Jeff) of the
HOUSE

AN ACT RELATING TO REVENUE AND TAXATION; AMENDING 68

O.S. 1991, SECTION 1370.3, WHICH RELATES TO THE
SALES TAX CODE; PROVIDING THAT CERTAIN PERSONS BE
ELIGIBLE TO FILE CLAIM FOR SALES TAX RELIEF;
AUTHORIZING CERTAIN COUNTIES TO LEVY SALES TAX UPON
CERTAIN GROSS PROCEEDS OR GROSS RECEIPTS UNDER
CERTAIN CONDITIONS AND SPECIFYING SUCH CONDITIONS;
LIMITING AMOUNT AND PERIOD OF SUCH TAX; ALLOWING
ONE-TIME INCOME TAX CREDIT FOR CERTAIN INVESTMENTS;
DEFINING TERM; SPECIFYING AMOUNT OF CREDIT;
PROVIDING THAT CREDIT MAY BE CARRIED FORWARD FOR
CERTAIN PERIOD; PROVIDING FOR CODIFICATION; AND
PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. AMENDATORY 68 O.S. 1991, Section 1370.3, is amended to read as follows:

Section 1370.3 A. Any person who is a resident of and domiciled in a county which levies a sales tax pursuant to Section 1370.2 of this title or Section 2 of this act during the time such tax was in effect and whose gross household income does not exceed Twelve Thousand Dollars (\$12,000.00) per year for each year in which the tax is in effect shall be eligible to file a claim for sales tax relief pursuant to the provisions of this section.

B. 1. Except as otherwise provided in paragraph 2 of this subsection, any inmate in the custody of the Department of Corrections during any part of a calendar year shall not be eligible to file a claim for sales tax relief pursuant to subsection A of

this section for such calendar year. The provisions of this subsection shall not prohibit all other members of the household of an inmate from filing a claim based upon the personal exemptions to which the household members would be entitled pursuant to the provisions of the Oklahoma Income Tax Act, Section 2351 et seq. of this title.

2. Any inmate in the custody of the Department of Corrections who is assigned to pre-parole conditional supervision, house arrest or is housed at a community treatment center or halfway house which is under contract with the Department shall be eligible to file a claim for sales tax relief pursuant to subsection A of this section.

C. The amount of the claim filed pursuant to this section shall be Forty Dollars (\$40.00) multiplied by the number of personal exemptions to which the taxpayer would be entitled pursuant to the provisions of the Oklahoma Income Tax Act, except for the exemptions such taxpayer would be entitled to pursuant to Section 2358 of this title if such taxpayer or spouse is blind or sixty-five (65) years of age or older at the close of the tax year.

D. All claims for relief authorized by this section shall be received by and in the possession of the board of county commissioners after December 31, 1993, and before July 1, 1994. The failure of a claimant to file a claim for relief as authorized by this subsection shall be deemed a forfeiture of the claimant's right to receive such relief.

E. All claims authorized by this section shall be made under oath and filed on forms prescribed and provided by the board of county commissioners. Such forms shall contain appropriate certifications, under a penalty of perjury, sufficient to verify the claim. The board of county commissioners or its designee may request additional information to determine the claimant's eligibility to receive the sales tax relief authorized by this section. Willful failure to provide such information shall be deemed by the board or its designee to be grounds for denial of the claim or modification of the amount of the claim.

F. As used in this section: "Gross household income" means the gross amount of income of every type, regardless of the source, received by all persons occupying the same household, whether such income was taxable or nontaxable for federal or state income tax purposes, including pensions, annuities, federal social security, unemployment payments, veteran disability compensation, public assistance payments, alimony, support money, worker's compensation, loss of time insurance payments, capital gains and any other type of income received; and excluding gifts.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1370.4 of Title 68, unless there is created a duplication in numbering, reads as follows:

Notwithstanding the provisions of Section 1370 of Title 68 of the Oklahoma Statutes, any county of this state with a population of more than three hundred thousand (300,000) according to the latest Federal Decennial Census may levy a sales tax of not to exceed one percent (1%) upon the gross proceeds or gross receipts derived from all sales or services in the county upon which a consumer's sales tax is levied by the state, except as provided in subsection (F) of Section 1357 of Title 68 of the Oklahoma Statutes, subject to the following conditions:

1. The proceeds of such sales tax and the interest thereon shall be used solely for the purpose of development of facilities for lease or conveyance to the government of the United States and any necessary infrastructure changes or improvements directly related to such facilities located within the county. The board of county commissioners of any county that has approved the imposition of a sales tax pursuant to this section may not commence the

collection of any such sales tax until an agreement to locate such facility within the county is reached;

2. Before a sales tax may be levied by the county, the imposition of the tax shall first be approved by a majority of the registered voters of the county voting thereon at a special election called by resolution of the board of county commissioners;

3. The monies collected pursuant to the provisions of this section shall only be expended by the board of county commissioners to finance the construction of the facility and any necessary infrastructure changes or improvements directly related to such facility; and

4. Such sales tax can only be imposed for a period not to exceed three (3) years.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.23 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For taxable years beginning after December 31, 1992, there shall be allowed a one-time credit against the income tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes for investments in qualified clean-burning train locomotive fuel property.

B. As used in this section, "qualified clean-burning train locomotive fuel property" means:

1. Equipment installed to modify a train locomotive which is propelled by diesel or other means so that the train locomotive may be propelled by compressed natural gas, liquefied natural gas or liquefied petroleum gas; and

2. Property which is directly related to the delivery of compressed natural gas, liquefied natural gas or liquefied petroleum gas into the fuel tank of a train locomotive propelled by such fuel including compression equipment and storage tanks for such fuel at the point where such fuel is so delivered but only if such property is not used to deliver such fuel into any other type of storage tank or receptacle and such fuel is not used for any purpose other than to propel a train locomotive.

C. The credit provided for in subsection A of this section shall be fifty percent (50%) of the cost of the qualified clean-burning train locomotive fuel property.

D. In cases where no credit has been claimed pursuant to subsection C of this section and in which a train locomotive is purchased by a taxpayer with qualified clean-burning train locomotive fuel property installed by the manufacturer of such train locomotive and the taxpayer is unable or elects not to determine the exact basis which is attributable to such property, the taxpayer may claim a credit in an amount not exceeding the lesser of ten percent (10%) of the cost of the train locomotive or One Thousand Five Hundred Dollars (\$1,500.00).

E. If the tax credit allowed pursuant to subsection A of this section exceeds the amount of income taxes due or if there are no state income taxes due on the income of the taxpayer, the amount of the credit not used as an offset against the income taxes of a taxable year may be carried forward as a credit against subsequent income tax liability for a period not to exceed three (3) years.

SECTION 4. This act shall become effective September 1, 1992.