

ENGROSSED HOUSE
BILL NO. 2016

By: Culver of the House

and

Maddox of the Senate

(prisons and reformatories - additional sales tax -
codification - ballot title - filing)

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

SECTION 1. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided for by law, Sections 2 and 3 of this act.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1354.7 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. In addition to the tax levied by Sections 1354, 1354.2 and 1354.3 of Title 68 of the Oklahoma Statutes, there is hereby levied upon all sales, not otherwise exempted by the Oklahoma Sales Tax Code, an excise tax of one-fourth of one percent (.25%) of the gross receipts or gross proceeds of each sale of an item that is subject to the tax levied by Sections 1354, 1354.2 and 1354.3 of Title 68 of the Oklahoma Statutes. The proceeds from the tax levied by this subsection shall be expended only for the construction of the correctional institutions authorized by the Legislature. The tax levied by this subsection shall be levied for one (1) year beginning January 1, 1996.

B. In addition to the tax levied by Sections 1354, 1354.2 and 1354.3 of Title 68 of the Oklahoma Statutes, there is hereby levied upon all sales, not otherwise exempted by the Oklahoma Sales Tax Code, an excise tax of one-eighth of one percent (.125%) of the gross receipts or gross proceeds of each sale of an item that is subject to the tax levied by Sections 1354, 1354.2 and 1354.3 of Title 68 of the Oklahoma Statutes. The proceeds from the tax levied by this subsection shall be expended for the operating expenses of the correctional institutions of the Department of Corrections; provided, if the proceeds from the tax exceed the amount of revenues necessary to operate the institution, the balance of the proceeds shall be expended for capital improvements for institutions within the Department of Corrections. The tax levied by this subsection shall be levied beginning January 1, 1997.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1402.1 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. In addition to the tax levied by Section 1402 of Title 68 of the Oklahoma Statutes, there is hereby levied and there shall be paid by every person storing, using, or otherwise consuming within this state, tangible personal property purchased in or brought into this state, an excise tax of one-fourth of one percent (.25%) on each item that is subject to the tax levied by Section 1402 of Title 68 of the Oklahoma Statutes. The proceeds from the tax levied by this section shall be expended only for the construction of correctional institutions authorized by the Legislature. The tax levied by this subsection shall be levied for one (1) year beginning January 1, 1996.

B. In addition to the tax levied by Section 1402 of Title 68 of the Oklahoma Statutes, there is hereby levied and there shall be paid by every person storing, using, or otherwise consuming within this state, tangible personal property purchased in or brought into

this state, an excise tax of one-eighth of one percent (.125%) on each item that is subject to the tax levied by Section 1402 of Title 68 of the Oklahoma Statutes. The proceeds from the tax levied by this section shall be expended for the operating expenses of the correctional institutions of the Department of Corrections; provided, if the proceeds from the tax exceed the amount of revenues necessary to operate the institution, the balance of the proceeds shall be expended for capital improvements for institutions within the Department of Corrections. The tax levied by this subsection shall be levied beginning January 1, 1997.

SECTION 4. The Ballot Title for the proposed act shall be in the following form:

BALLOT TITLE

Legislative Referendum No. _____ State Question No. _____

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure levies an extra sales tax to pay for prisons. The sales tax would be .25 percent for one year. After one year, the sales tax would be .125 percent. This is in addition to current sales tax. The extra tax for the first year would pay for building any new prison. Beginning January 1, 1997, the extra tax would be used to pay to operate prisons. If the extra tax collected beginning January 1, 1997, brings in more than is needed to operate prisons, the extra money would be used for capital improvements for other corrections institutions.

SHALL THIS ACT BE APPROVED BY THE PEOPLE?

 / YES, FOR THE ACT

 / NO, AGAINST THE ACT

SECTION 5. The Chief Clerk of the House of Representatives, immediately after the passage of this act, shall prepare and file one copy thereof, including the Ballot Title set forth in SECTION 4 hereof, with the Secretary of State and one copy with the Attorney General.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 560.1 of Title 57, unless there is created a duplication in numbering, reads as follows:

Wages paid on all new prison construction will be determined by the contractors submitting the bids and will be shown in the bids.

Passed the House of Representatives the 1st day of March, 1995.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1995.

President of the Senate