

ENROLLED SENATE
BILL NO. 859

By: Williams (Don) and Rubottom
of the Senate

and

Pope (Clay) of the House

An Act relating to revenue and taxation;
amending 68 O.S. 1991, Section 1370, as last
amended by Section 1, Chapter 303, O.S.L. 1994
(68 O.S. Supp. 1995, Section 1370), which
relates to county sales taxes; modifying
purposes for which county sales tax may be
designated; and declaring an emergency.

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

SECTION 1. AMENDATORY 68 O.S. 1991, Section 1370, as
last amended by Section 1, Chapter 303, O.S.L. 1994 (68 O.S. Supp.
1995, Section 1370), is amended to read as follows:

Section 1370. A. Any county of this state may levy a sales tax
of not to exceed two percent (2%) 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 this state. 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 the board of county
commissioners or by initiative petition signed by not less than five
percent (5%) of the registered voters of the county who were
registered at the time of the last general election. However, if a
majority of the registered voters of a county voting fail to approve
such a tax, the board of county commissioners shall not call another
special election for such purpose for six (6) months. Any sales tax
approved by the registered voters of a county shall be applicable
only when the point of sale is within the territorial limits of such
county.

B. All items that are exempt from the state sales tax shall be
exempt from any sales tax levied by a county.

C. ~~After the effective date of this act any~~ Any sales tax which
may be levied by a county shall be designated for a particular
purpose. Such purposes may include, but are not limited to,
economic development, general operations, capital improvements,
county roads, weather modification or any other purpose deemed, by a
majority vote of the county commissioners, to be necessary to
promote safety, security and the general well being of the people.
The county shall identify the purpose of the sales tax when it is
presented to the voters pursuant to the provisions of subsection A
of this section. The proceeds of any sales tax levied by a county
shall be deposited in the general revenue or sales tax revolving
fund of the county and shall be used only for the purpose for which
such sales tax was designated. If the proceeds of any sales tax
levied by a county pursuant to this section are pledged for the

purpose of retiring indebtedness incurred for the specific purpose for which the sales tax is imposed, the sales tax shall not be repealed until such time as the indebtedness is retired. However, in no event shall the life of the tax be extended beyond the duration approved by the voters of the county.

D. The life of the tax could be limited or unlimited in duration. The county shall identify the duration of the tax when it is presented to the voters pursuant to the provisions of subsection A of this section.

E. There are hereby created one or more county sales tax revolving funds in each county which levies a sales tax under this section if any or all of the proceeds of such tax are not to be deposited in the general revenue fund of the county. Each such revolving fund shall be designated for a particular purpose and shall consist of all monies generated by such sales tax which are designated for such purpose. Monies in such funds shall only be expended for the purposes specifically designated as required by this section. A county sales tax revolving fund shall be a continuing fund, not subject to fiscal year limitations.

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 7th day of May, 1996.

President of the Senate

Passed the House of Representatives the 21st day of May, 1996.

Speaker of the House of Representatives

