

STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 823

By: Herbert

COMMITTEE SUBSTITUTE

An Act relating to revenue and taxation; amending Section 3, Chapter 289, O.S.L. 1996 and 68 O.S. 1991, Section 50014, as amended by Section 2, Chapter 296, O.S.L. 1995 (68 O.S. Supp. 1997, Sections 1357.8 and 50014), which relate to refunds of sales taxes paid and the Oklahoma Tourism Promotion Act; correcting statutory reference; modifying time period within which certain filing must be made with Oklahoma Tax Commission; modifying information required to be filed; requiring certain affidavit; providing penalty; providing exception to prohibition against certain expenditure from Oklahoma Tourism Promotion Revolving Fund; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 3, Chapter 289, O.S.L. 1996 (68 O.S. Supp. 1997, Section 1357.8), is amended to read as follows:

Section 1357.8 A. In order to administer the exemption for sales of tangible personal property or services to a motion picture or television production company as provided by paragraph ~~20~~ 21 of Section 1357 of ~~Title 68 of the Oklahoma Statutes~~ this title, there shall be made a sales tax refund for state and local sales taxes paid by a qualifying purchaser of such items for use in an eligible production.

B. The Oklahoma Tax Commission shall transfer each month from sales tax collected the amount which the Tax Commission estimates to be necessary to make the sales tax refund provided by this section to an account designated as the Tax Commission determines.

C. Any refund shall be paid from the account prescribed by this section ~~at the time the claim for refund is approved by the Oklahoma Tax Commission~~. The amount of the refund shall not exceed the total state and local sales taxes paid together with accrued interest upon such total. The amount of interest paid upon the principal amount of any refund made to such production company for purposes of administering the exemption provided by paragraph ~~20~~ 21 of Section 1357 of ~~Title 68 of the Oklahoma Statutes~~ this title shall be determined according to the provisions of this subsection. For any month during which the ~~Oklahoma~~ Tax Commission transfers a sum to the account prescribed by subsection B of this section, the Tax Commission shall determine an interest rate by determining the rate of interest paid for a three-month Treasury Bill of the United States government as of the first working day of the month and such interest shall accrue upon any amount transferred to the account together with interest previously accrued upon such amounts.

D. The qualified purchaser shall file, during the preproduction phase, with the ~~Oklahoma~~ Tax Commission, a registration form containing the estimated production dates, estimated local production expenditures, and name and address of the representative responsible for the expenditure records, ~~and other such~~

~~documentation~~ required to be submitted pursuant to rules promulgated by the ~~Oklahoma~~ Tax Commission.

E. The qualified purchaser shall file, within ~~sixty (60)~~ one hundred twenty (120) days after the completion of the ~~filming production schedule~~, with the ~~Oklahoma~~ Tax Commission, ~~the following documentation~~ for any refund claimed:

~~1. Invoices, invoices and all receipts~~ indicating the amount of state and local sales tax paid on sales exempt from tax pursuant to the provisions of paragraph 21 of Section 1357 of this title and the amount of such sales;

~~2. Affidavit of each vendor that state and local sales tax billed to the purchaser has not been audited, rebated, or refunded to the purchaser but rather the sales tax charged has been collected by the vendor and remitted to the Oklahoma Tax Commission; and~~

~~3. All additional documentation required to be submitted pursuant to rules promulgated by the Oklahoma Tax Commission.~~

All documentation shall be accompanied by an affidavit, signed by a duly authorized representative of the qualified purchaser, that the refund is for state and local sales tax paid on sales exempt from tax pursuant to the provisions of paragraph 21 of Section 1357 of this title. In addition to any other penalties provided by law, any purchaser who willfully or intentionally fails, neglects or refuses to pay the full amount of tax levied by Section 1350 et seq. of this title, or who willfully or intentionally claims a refund for taxes paid on sales not exempt pursuant to the provisions of paragraph 21 of Section 1357 of this title, shall be subject to a penalty in the amount of Five Hundred Dollars (\$500.00), which shall be apportioned as provided for the apportionment of the tax.

SECTION 2. AMENDATORY 68 O.S. 1991, Section 50014, as amended by Section 2, Chapter 296, O.S.L. 1995 (68 O.S. Supp. 1997, Section 50014), is amended to read as follows:

Section 50014. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tourism and Recreation Department, to be designated the "Oklahoma Tourism Promotion Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Tourism and Recreation Department from the tax levied pursuant to the provisions of the Oklahoma Tourism Promotion Act, Section 50010 et seq. of this title, and such other monies accredited to the fund pursuant to law.

B. All monies accruing to the credit of ~~said~~ the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Tourism and Recreation Department for the purpose of promoting Oklahoma tourism as defined by Section 50011 of this title, provided that the Department shall ensure that all areas of the state will adequately be promoted.

C. Provided further, that the Department shall be limited to expending monies from ~~said~~ the fund for the purpose of implementing the traveler response information program, as set forth in subparagraph b of paragraph 9 of subsection A of Section 50011 of this title, ~~as follows:~~ provided, expenditures attributable to first-year start-up costs from this fund shall not exceed Five Hundred Fifty Thousand Dollars (\$550,000.00).

D. No monies from this revolving fund shall be transferred for any purpose to any other state agency or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense with the exception of contracting and payment for research work completed by an institution of the Oklahoma State System of Higher Education. No monies from this revolving fund shall be expended for any wage or salary of any employee of any state agency. Expenditures from ~~said~~ the fund shall be made upon warrants issued by the State Treasurer against claims

filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 3. 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.

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