

ENGROSSED SENATE
BILL NO. 312

By: Rabon of the Senate
and
Erwin of the House

[revenue and taxation - county tax upon production of
sand, rock, shale, limestone and coal - voter
approval -
effective date]

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 1001.4 of Title 68, unless there
is created a duplication in numbering, reads as follows:

A. Any county of this state is hereby authorized to levy a tax
upon the severance of sand, rock, and shale, within the territorial
limits of the county, in an amount specified in the special election
call as provided herein. Before a severance 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.

B. Any severance 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 severance tax when it is presented to the voters pursuant to the provisions of subsection A of this section. The proceeds of any severance tax levied by a county shall be deposited in the general revenue fund of the county and shall be used only for the purpose for which the tax was designated.

C. The life of a tax levied pursuant to the provisions of this section may 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.

D. The board of county commissioners of a county levying a tax pursuant to the provisions of this section and the Oklahoma Tax Commission are authorized to enter into a contract whereby the Tax Commission shall have authority to assess, collect and enforce the tax and any penalties or interest thereon, levied by the county, and to remit the same to the county. Such authority shall apply to any tax, penalty or interest liability existing at the time of contracting. Upon contracting, the Tax Commission shall have the power of enforcement of the tax, penalties or interest that are vested in the county. The contract shall provide for the assessment, collection and enforcement of the tax, penalties and interest, in the same manner as the administration, collection and enforcement of the state gross production tax by the Tax Commission. For providing such assistance, the Tax Commission shall charge the county a fee of one percent (1%) of the gross collection proceeds.

SECTION 2. This act shall become effective November 1, 1999.

Passed the Senate the 9th day of March, 1999.

President of the Senate

Passed the House of Representatives the ____ day of _____ ,
1999.

Speaker of the House of
Representatives