

SB 1364

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THE STATE SENATE
Monday, February 28, 2000

Senate Bill No. 1364
As Amended

SENATE BILL NO. 1364 - By: MONSON of the Senate and RICE of the House.

[revenue and taxation - Oklahoma Sales Tax Code - effective date - emergency]

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

SECTION 1. AMENDATORY 68 O.S. 1991, Section 1352, as last amended by Section 3, Chapter 301, O.S.L. 1998 (68 O.S. Supp. 1999, Section 1352), is amended to read as follows:

Section 1352. As used in the Oklahoma Sales Tax Code:

1. "Business" means any activity engaged in or caused to be engaged in by any person with the object of gain, benefit, or advantage, either direct or indirect;

2. "Commission" or "Tax Commission" means the Oklahoma Tax Commission;

3. "Consumer" or "user" means a person to whom a taxable sale of tangible personal property is made or to whom a taxable service is furnished. "Consumer" or "user" includes all contractors to whom a taxable sale of materials, supplies, equipment, or other tangible personal property is made or to whom a taxable service is furnished to be used or consumed in the performance of any contract;

1 4. "Contractor" means any person who performs any improvement
2 upon real property and who, as a necessary and incidental part of
3 performing such improvement, incorporates tangible personal property
4 belonging to or purchased by the person into the real property being
5 improved;

6 5. "Established place of business" means the location at which
7 any person regularly engages in, conducts, or operates a business in
8 a continuous manner for any length of time, that is open to the
9 public during the hours customary to such business, in which a stock
10 of merchandise for resale is maintained, and which is not exempted
11 by law from attachment, execution, or other species of forced sale
12 barring any satisfaction of any delinquent tax liability accrued
13 under the Oklahoma Sales Tax Code;

14 6. "Fair authority" means:

15 a. any county, municipality, school district, public
16 trust or any other political subdivision of this
17 state, or

18 b. any not-for-profit corporation acting pursuant to an
19 agency, operating or management agreement which has
20 been approved or authorized by the governing body of
21 any of the entities specified in subparagraph a of
22 this paragraph which conduct, operate or produce a

1 fair commonly understood to be a county, district or
2 state fair;

3 7. "Gross receipts" or "gross proceeds" means the total amount
4 of consideration for the sale of any tangible personal property or
5 service taxable under the Oklahoma Sales Tax Code, whether the
6 consideration is in money or otherwise. "Gross receipts" or "gross
7 proceeds" shall include, but not be limited to:

- 8 a. cash paid,
- 9 b. any amount for which payment is charged, deferred, or
10 otherwise to be made in the future, regardless of the
11 time or manner of payment,
- 12 c. any amount for which credit or a discount is allowed
13 by the vendor,
- 14 d. any amount of deposit paid for transfer of possession,
15 and
- 16 e. any value of a trade-in or other property accepted by
17 the vendor as consideration, except for used or trade-
18 in parts excluding tires or batteries for a motor
19 vehicle, bus, motorcycle, truck-tractor, trailer,
20 semitrailer or implement of husbandry, as defined in
21 Sections 1-105, 1-125, 1-134, 1-135, 1-162, 1-180 and
22 1-183 of Title 47 of the Oklahoma Statutes, if the

1 used or trade-in parts are taken in trade as exchange
2 on the sale of new or rebuilt parts.

3 There shall not be any deduction from the gross receipts or
4 gross proceeds on account of cost of the property sold, labor
5 service performed, interest paid, or losses, or of any expenses
6 whatsoever, whether or not the tangible personal property sold was
7 produced, constructed, fabricated, processed, or otherwise assembled
8 for or at the request of the consumer as part of the sale;

9 8. "Internet" means, collectively, the computer and
10 telecommunications facilities that comprise the interconnected
11 worldwide network or networks that employ the transmission control
12 protocol/internet protocol, or any predecessor or successor
13 protocols to that protocol;

14 9. "Internet service" means the offering or provision of access
15 to or use of the Internet;

16 10. "Internet service provider" means a provider of Internet
17 service and shall include all participants in supporting such
18 service, such as subsidiaries, affiliates and partners;

19 11. "Maintaining a place of business in this state" means and
20 includes having or maintaining in this state, directly or by
21 subsidiary, an office, distribution house, sales house, warehouse,
22 or other physical place of business, or having agents operating in
23 this state, whether the place of business or agent is within this

1 state temporarily or permanently or whether the person or subsidiary
2 is authorized to do business within this state;

3 ~~9.~~ 12. "Manufacturing" means and includes the activity of
4 converting or conditioning tangible personal property by changing
5 the form, composition, or quality of character of some existing
6 material or materials, by procedures commonly regarded as
7 manufacturing, compounding, processing or assembling, into a
8 material or materials with a different form or use. "Manufacturing"
9 does not include extractive industrial activities such as mining,
10 quarrying, logging, and drilling for oil, gas and water, but may
11 include processes subsequent to extraction if such processes result
12 in a change of the form or use of the material extracted;

13 ~~10.~~ 13. "Manufacturing operation" means the designing,
14 manufacturing, compounding, processing, assembling, warehousing, or
15 preparing of articles for sale as tangible personal property. A
16 manufacturing operation begins at the point where the materials
17 enter the manufacturing site and ends at the point where a finished
18 product leaves the manufacturing site. "Manufacturing operation"
19 does not include administration, sales, distribution,
20 transportation, site construction, or site maintenance;

21 ~~11.~~ 14. "Manufacturing site" means a location where a
22 manufacturing operation is conducted, including a location

1 consisting of one or more buildings or structures in an area owned,
2 leased, or controlled by a manufacturer;

3 ~~12.~~ 15. "Person" means any individual, company, partnership,
4 joint venture, joint agreement, association, mutual or otherwise,
5 limited liability company, corporation, estate, trust, business
6 trust, receiver or trustee appointed by any state or federal court
7 or otherwise, syndicate, this state, any county, city, municipality,
8 school district, any other political subdivision of the state, or
9 any group or combination acting as a unit, in the plural or singular
10 number;

11 ~~13.~~ 16. "Point of sale" means, for purposes of administration
12 of any municipal or county sales tax levied in this state, the
13 physical location at which a sale of tangible personal property or
14 services taxable under the Oklahoma Sales Tax Code is made in the
15 course of the vendor's business, to be determined by one of the
16 following:

17 a. if the consumer identifies tangible personal property
18 or services and pays the sale price, in cash or
19 otherwise, at a place of business maintained by the
20 vendor, the point of sale shall be the location of
21 such place of business, regardless of the place of
22 delivery,

- 1 b. if a consumer, from a location outside the
2 jurisdiction in which the vendor is engaged in
3 business, orders or requests, by mail or telephonic or
4 telegraphic device, to buy tangible personal property
5 or services, the point of sale shall be the place of
6 delivery, regardless of the manner of transportation,
7 c. if the sale is made through solicitation at a place
8 other than the place of business of the vendor, either
9 by an employee, representative, or any other agent of
10 the vendor, the point of sale shall be the place where
11 the solicited offer to buy was accepted or approved by
12 the vendor if the consumer does not have a right to
13 accept or reject delivery,
14 d. if the sale is made through solicitation at a place
15 other than the place of business of the vendor, either
16 by an employee, representative, or any other agent of
17 the vendor, and the consumer has a right to accept or
18 reject delivery, the point of sale shall be the place
19 of delivery, or
20 e. if the sale is of motor fuel or diesel fuel by a Group
21 Five vendor, the point of sale shall be the location
22 in the state at which the Group Five vendor withdrew

1 the motor fuel or diesel fuel from the primary fuel
2 storage facility of such vendor;

3 ~~14.~~ 17. "Repairman" means any person who performs any repair
4 service upon tangible personal property of the consumer, whether or
5 not the repairman, as a necessary and incidental part of performing
6 the service, incorporates tangible personal property belonging to or
7 purchased by the repairman into the tangible personal property being
8 repaired;

9 ~~15.~~ 18. "Sale" means the transfer of either title or possession
10 of tangible personal property for a valuable consideration
11 regardless of the manner, method, instrumentality, or device by
12 which the transfer is accomplished in this state, or other
13 transactions as provided by this paragraph, including but not
14 limited to:

- 15 a. the exchange, barter, lease, or rental of tangible
16 personal property resulting in the transfer of the
17 title to or possession of the property,
- 18 b. the disposition for consumption or use in any business
19 or by any person of all goods, wares, merchandise, or
20 property which has been purchased for resale,
21 manufacturing, or further processing,
- 22 c. the sale, gift, exchange, or other disposition of
23 admission, dues, or fees to clubs, places of

1 amusement, or recreational or athletic events or for
2 the privilege of having access to or the use of
3 amusement, recreational, athletic or entertainment
4 facilities,
5 d. the furnishing or rendering of services taxable under
6 the Oklahoma Sales Tax Code, and
7 e. any use of motor fuel or diesel fuel by a supplier, as
8 defined in Section 500.3 of this title, upon which
9 sales tax has not previously been paid, for purposes
10 other than to propel motor vehicles over the public
11 highways of this state. Motor fuel or diesel fuel
12 purchased outside the state and used for purposes
13 other than to propel motor vehicles over the public
14 highways of this state shall not constitute a sale
15 within the meaning of this paragraph;
16 ~~16.~~ 19. "Sale for resale" means:
17 a. a sale of tangible personal property to any purchaser
18 who is purchasing tangible personal property for the
19 purpose of reselling it within the geographical limits
20 of the United States of America or its territories or
21 possessions, in the normal course of business either
22 in the form or condition in which it is purchased or

1 as an attachment to or integral part of other tangible
2 personal property,

3 b. a sale of tangible personal property to a purchaser
4 for the sole purpose of the renting or leasing, within
5 the geographical limits of the United States of
6 America or its territories or possessions, of the
7 tangible personal property to another person by the
8 purchaser, but not if incidental to the renting or
9 leasing of real estate, or

10 c. a sale of tangible goods and products within this
11 state if, simultaneously with the sale, the vendor
12 issues an export bill of lading, or other
13 documentation that the point of delivery of such goods
14 for use and consumption is in a foreign country and
15 not within the territorial confines of the United
16 States;

17 ~~17.~~ 20. "Tangible personal property" means personal property
18 which may be seen, weighed, measured, felt, or touched or which is
19 in any other manner perceptible to the senses;

20 ~~18.~~ 21. "Taxpayer" means any person liable to pay a tax imposed
21 by the Oklahoma Sales Tax Code;

22 ~~19.~~ 22. "Tax period" or "taxable period" means the calendar
23 period or the taxpayer's fiscal period for which a taxpayer has

1 obtained a permit from the Tax Commission to use a fiscal period in
2 lieu of a calendar period;

3 ~~20.~~ 23. "Tax remitter" means any person required to collect,
4 report, or remit the tax imposed by the Oklahoma Sales Tax Code. A
5 tax remitter who fails, for any reason, to collect, report, or remit
6 the tax shall be considered a taxpayer for purposes of assessment,
7 collection, and enforcement of the tax imposed by the Oklahoma Sales
8 Tax Code~~;~~ and

9 ~~21.~~ 24. "Vendor" means:

- 10 a. any person making sales of tangible personal property
11 or services in this state, the gross receipts or gross
12 proceeds from which are taxed by the Oklahoma Sales
13 Tax Code,
14 b. any person maintaining a place of business in this
15 state and making sales of tangible personal property
16 or services, whether at the place of business or
17 elsewhere, to persons within this state, the gross
18 receipts or gross proceeds from which are taxed by the
19 Oklahoma Sales Tax Code,
20 c. any person who solicits business by employees,
21 independent contractors, agents, or other
22 representatives or by distribution of catalogs or
23 other advertising matter, and thereby makes sales to

1 persons within this state of tangible personal
2 property or services, the gross receipts or gross
3 proceeds from which are taxed by the Oklahoma Sales
4 Tax Code, or

5 d. any person, pursuant to an agreement with the person
6 with an ownership interest in or title to tangible
7 personal property, who has been entrusted with the
8 possession of any such property and has the power to
9 designate who is to obtain title, to physically
10 transfer possession of, or otherwise make sales of the
11 property.

12 SECTION 2. AMENDATORY 68 O.S. 1991, Section 1357, as
13 last amended by Section 9, Chapter 390, O.S.L. 1999 (68 O.S. Supp.
14 1999, Section 1357), is amended to read as follows:

15 Section 1357. Exemptions - General.

16 There are hereby specifically exempted from the tax levied by
17 Section 1350 et seq. of this title:

18 1. Transportation of school pupils to and from elementary
19 schools or high schools in motor or other vehicles;

20 2. Transportation of persons where the fare of each person does
21 not exceed One Dollar (\$1.00), or local transportation of persons
22 within the corporate limits of a municipality except by taxicabs;

1 3. Sales for resale to persons engaged in the business of
2 reselling the articles purchased, whether within or without the
3 state, provided that such sales to residents of this state are made
4 to persons to whom sales tax permits have been issued as provided in
5 Section 1350 et seq. of this title. This exemption shall not apply
6 to the sales of articles made to persons holding permits when such
7 persons purchase items for their use and which they are not
8 regularly engaged in the business of reselling; neither shall this
9 exemption apply to sales of tangible personal property to peddlers,
10 solicitors and other salespersons who do not have an established
11 place of business and a sales tax permit. The exemption provided by
12 this paragraph shall apply to sales of motor fuel or diesel fuel to
13 a Group Five vendor, but the use of such motor fuel or diesel fuel
14 by the Group Five vendor shall not be exempt from the tax levied by
15 Section 1350 et seq. of this title. The purchase of motor fuel or
16 diesel fuel is exempt from sales tax when the motor fuel is for
17 shipment outside this state and consumed by a common carrier by rail
18 in the conduct of its business. The sales tax shall apply to the
19 purchase of motor fuel or diesel fuel in Oklahoma by a common
20 carrier by rail when such motor fuel is purchased for fueling,
21 within this state, of any locomotive or other motorized flanged
22 wheel equipment;

1 4. Sales of advertising space in newspapers and periodicals and
2 billboard advertising service, and any advertising through the
3 electronic media, including radio, television and cable television,
4 and the servicing of any advertising devices;

5 5. Eggs, feed, supplies, machinery and equipment purchased by
6 persons regularly engaged in the business of raising worms, fish,
7 any insect or any other form of terrestrial or aquatic animal life
8 and used for the purpose of raising same for marketing. This
9 exemption shall only be granted and extended to the purchaser when
10 the items are to be used and in fact are used in the raising of
11 animal life as set out above. Each purchaser shall certify, in
12 writing, on the invoice or sales ticket retained by the vendor that
13 the purchaser is regularly engaged in the business of raising such
14 animal life and that the items purchased will be used only in such
15 business. The vendor shall certify to the Oklahoma Tax Commission
16 that the price of the items has been reduced to grant the full
17 benefit of the exemption. Violation hereof by the purchaser or
18 vendor shall be a misdemeanor;

19 6. Sale of natural or artificial gas and electricity, and
20 associated delivery or transmission services, when sold exclusively
21 for residential use ~~after December 31, 1980~~. Provided, nothing
22 herein shall be construed as limiting or prohibiting cities and
23 towns, and counties levying a tax pursuant to the provisions of

1 Section 1370.2 of this title, from levying and collecting taxes on
2 the sale of natural or artificial gas and electricity. Provided
3 further, any sales tax levied by a city or town, or a county levying
4 a tax pursuant to the provisions of Section 1370.2 of this title, on
5 natural or artificial gas and electricity shall be in effect
6 regardless of ordinance or contractual provisions referring to
7 previously imposed state sales tax on such items;

8 7. In addition to the exemptions authorized by Section 1357.6
9 of this title, sales of medicines or drugs prescribed for the
10 treatment of human beings by a person licensed to prescribe the
11 medicines or drugs. Provided, this exemption shall not apply to
12 proprietary or patent medicines as defined by Section 353.1 of Title
13 59 of the Oklahoma Statutes;

14 8. Transfers of title or possession of empty, partially filled,
15 or filled returnable oil and chemical drums to any person who is not
16 regularly engaged in the business of selling, reselling or otherwise
17 transferring empty, partially filled, or filled returnable oil
18 drums;

19 9. Sales of one-way utensils, paper napkins, paper cups,
20 disposable hot containers and other one-way carry out materials to a
21 vendor of meals or beverages;

22 10. Sales of food or food products for home consumption which
23 are purchased in whole or in part with coupons issued pursuant to

1 the federal food stamp program as authorized by Sections 2011
2 through 2029 of Title 7 of the United States Code, as to that
3 portion purchased with such coupons. The exemption provided for
4 such sales shall be inapplicable to such sales upon the effective
5 date of any federal law that removes the requirement of the
6 exemption as a condition for participation by the state in the
7 federal food stamp program;

8 11. Sales of food ~~or~~, food products, or any equipment or
9 supplies used in the preparation of the food or food products to or
10 by an organization which:

11 a. is exempt from taxation pursuant to the provisions of
12 Section 501(c) (3) of the Internal Revenue Code, 26
13 U.S.C., Section 501(c) (3), and which provides and
14 delivers prepared meals for home consumption to
15 elderly or homebound persons as part of a program
16 commonly known as "Meals on Wheels" or "Mobile Meals",
17 or

18 b. is exempt from taxation pursuant to the provisions of
19 Section 501(c) (3) of the Internal Revenue Code, 26
20 U.S.C., Section 501(c) (3), and which receives federal
21 funding pursuant to the Older Americans Act of 1965,
22 as amended, for the purpose of providing nutrition
23 programs for the care and benefit of elderly persons;

1 12. Sales of tangible personal property or services to or by
2 organizations which are exempt from taxation pursuant to the
3 provisions of Section 501(c)(3) of the Internal Revenue Code, 26
4 U.S.C., Section 501(c)(3), and which are primarily involved in the
5 collection and distribution of food and other household products to
6 other organizations which are exempt from taxation pursuant to the
7 provisions of Section 501(c)(3) of the Internal Revenue Code, 26
8 U.S.C., Section 501(c)(3), which facilitate the distribution of such
9 products to the needy, except sales made in the course of business
10 for profit or savings, competing with other persons engaged in the
11 same or similar business;

12 13. Sales of food, food products, or clothing to children's
13 homes which are located on church-owned property and are operated by
14 organizations exempt from taxation pursuant to the provisions of the
15 Internal Revenue Code, 26 U.S.C., Section 501(c)(3);

16 14. Sales of computers, data processing equipment, related
17 peripherals and telephone, telegraph or telecommunications service
18 and equipment for use in a qualified aircraft maintenance or
19 manufacturing facility. For purposes of this paragraph, "qualified
20 aircraft maintenance or manufacturing facility" means a new or
21 expanding facility primarily engaged in aircraft repair, building or
22 rebuilding whether or not on a factory basis, whose total cost of
23 construction exceeds the sum of Five Million Dollars (\$5,000,000.00)

1 and which employs at least two hundred fifty (250) new full-time-
2 equivalent employees, as certified by the Oklahoma Employment
3 Security Commission, upon completion of the facility. In order to
4 qualify for the exemption provided for by this paragraph, the cost
5 of the items purchased by the qualified aircraft maintenance or
6 manufacturing facility shall equal or exceed the sum of Two Million
7 Dollars (\$2,000,000.00);

8 15. Sales of tangible personal property consumed or
9 incorporated in the construction or expansion of a qualified
10 aircraft maintenance or manufacturing facility as defined in
11 paragraph 14 of this section. For purposes of this paragraph, sales
12 made to a contractor or subcontractor that has previously entered
13 into a contractual relationship with a qualified aircraft
14 maintenance or manufacturing facility for construction or expansion
15 of such a facility shall be considered sales made to a qualified
16 aircraft maintenance or manufacturing facility;

17 16. Sales of any interstate telecommunications services which:
18 a. entitle the subscriber to inward or outward calling
19 respectively between a station associated with an
20 access line in the local telephone system area or a
21 station directly connected to any interexchange
22 carrier's facilities and telephone or radiotelephone

1 stations in diverse geographical locations specified
2 by the subscriber, or

3 b. entitle the subscriber to private communications
4 services which allow exclusive or priority use of a
5 communications channel or group of channels between
6 exchanges;

7 17. Sales of railroad track spikes manufactured and sold for
8 use in this state in the construction or repair of railroad tracks,
9 switches, sidings and turnouts;

10 18. Sales of aircraft and aircraft parts provided such sales
11 occur at a qualified aircraft maintenance facility. As used in this
12 paragraph, "qualified aircraft maintenance facility" means a
13 facility operated by an air common carrier at which there were
14 employed at least two thousand (2,000) full-time-equivalent
15 employees in the preceding year as certified by the Oklahoma
16 Employment Security Commission and which is primarily related to the
17 fabrication, repair, alteration, modification, refurbishing,
18 maintenance, building or rebuilding of commercial aircraft or
19 aircraft parts used in air common carriage. For purposes of this
20 paragraph, "air common carrier" shall also include members of an
21 affiliated group as defined by Section 1504 of the Internal Revenue
22 Code, 26 U.S.C., Section 1504;

1 19. Sales of machinery and equipment purchased and used by
2 persons and establishments primarily engaged in computer services
3 and data processing:

4 a. as defined under Industrial Group Numbers 7372 and
5 7373 of the Standard Industrial Classification (SIC)
6 Manual, latest version, which derive at least fifty
7 percent (50%) of their annual gross revenues from the
8 sale of a product or service to an out-of-state buyer
9 or consumer, and

10 b. as defined under Industrial Group Number 7374 of the
11 SIC Manual, latest version, which derive at least
12 eighty percent (80%) of their annual gross revenues
13 from the sale of a product or service to an out-of-
14 state buyer or consumer.

15 Eligibility for the exemption set out in this paragraph shall be
16 established, subject to review by the Tax Commission, by annually
17 filing an affidavit with the Tax Commission stating that the
18 facility so qualifies and such information as required by the Tax
19 Commission. For purposes of determining whether annual gross
20 revenues are derived from sales to out-of-state buyers or consumers,
21 all sales to the federal government shall be considered to be to an
22 out-of-state buyer or consumer;

1 20. Sales of prosthetic devices to an individual for use by
2 such individual. For purposes of this paragraph, "prosthetic
3 device" means a device which replaces a missing part of the human
4 body and shall include any supplies physically connected to the
5 device;

6 21. Sales of tangible personal property or services to a motion
7 picture or television production company to be used or consumed in
8 connection with an eligible production. For purposes of this
9 paragraph, "eligible production" means a documentary, special, music
10 video, or a television program that will serve as a pilot for or be
11 a segment of an ongoing dramatic or situation comedy series filmed
12 or taped for network or national or regional syndication or a
13 feature-length motion picture intended for theatrical release or for
14 network or national or regional syndication or broadcast. The
15 provisions of this paragraph shall apply to sales occurring on or
16 after July 1, 1996;

17 22. Sales of diesel fuel sold for consumption by commercial
18 vessels, barges and other commercial watercraft;

19 23. ~~Beginning July 1, 1998, sales~~ Sales of tangible personal
20 property or services to tax-exempt independent nonprofit biomedical
21 research foundations that provide educational programs for Oklahoma
22 science students and teachers and to tax-exempt independent
23 nonprofit community blood banks headquartered in this state;

1 24. Effective May 6, 1992, sales of wireless telecommunications
2 equipment to a vendor who subsequently transfers the equipment at no
3 charge or for a discounted charge to a consumer as part of a
4 promotional package or as an inducement to commence or continue a
5 contract for wireless telecommunications services; ~~and~~

6 25. Effective January 1, 1991, leases of rail transportation
7 cars to haul coal to coal-fired plants located in this state which
8 generate electric power;

9 26. Beginning July 1, 2000, sales of aircraft engine repairs,
10 modification, and replacement parts, sales of aircraft frame repairs
11 and modification, aircraft interior modification, and paint, and
12 sales of services employed in the repair, modification and
13 replacement of parts of aircraft engines, aircraft frame and
14 interior repair and modification, and paint. The exemption provided
15 by this paragraph shall be limited to aircraft repairs,
16 modification, and replacement parts for aircraft weighing more than
17 twelve thousand five hundred (12,500) pounds and less than one
18 hundred thousand (100,000) pounds and which aircraft are brought
19 into this state exclusively for such repairs or modification. The
20 exemption provided by this paragraph shall be limited to repairs or
21 modifications made by a new or expanded aircraft repair facility.
22 As used in this paragraph, the term "aircraft" shall have the same
23 meaning as such term is defined in Section 6001 of this title. The

1 term "new or expanded aircraft repair facility" shall mean any new
2 or expanded facility which repairs, modifies or replaces aircraft
3 parts in which more than Four Million Dollars (\$4,000,000.00) was
4 invested to establish the new facility or expand an existing
5 facility and which construction was commenced or was in progress on
6 or after January 1, 1999; and

7 27. Routers, servers and modems, operating software and
8 replacement parts used to provide Internet service which are sold,
9 leased or rented to or used by an Internet service provider in the
10 conduct of an Internet service business. Such items shall be exempt
11 even if used for purposes in addition to the provisions of Internet
12 service.

13 SECTION 3. REPEALER Section 1, Chapter 243, O.S.L. 1999
14 (68 O.S. Supp. 1999, Section 1357), and Section 1, Chapter 329,
15 O.S.L. 1999 (68 O.S. Supp. 1999, Section 1357), are hereby repealed.

16 SECTION 4. This act shall become effective July 1, 2000.

17 SECTION 5. It being immediately necessary for the preservation
18 of the public peace, health and safety, an emergency is hereby
19 declared to exist, by reason whereof this act shall take effect and
20 be in full force from and after its passage and approval.

21 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 2-22-00 - DO PASS,
22 As Amended and Coauthored.