

ENROLLED SENATE  
BILL NO. 24

By: Herbert of the Senate

and

Ervin and Morgan of the  
House

An Act relating to revenue and taxation; amending 68 O.S. 1991, Section 1406, as last amended by Section 6, Chapter 289, O.S.L. 1996 (68 O.S. Supp. 2000, Section 1406), which relates to use taxes; providing that certain activities not subject certain persons to certain laws or requirements; providing exception; providing for codification; and declaring an emergency.

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 1376 of Title 68, unless there is created a duplication in numbering, reads as follows:

The following activities, either singularly or in the aggregate, with respect to any person that is not otherwise required to remit sales and use taxes to the State of Oklahoma, that has contracted with a commercial printer for any printing, including printing-related activities and distribution of printed materials, to be performed in Oklahoma, shall not require such person to remit sales and use taxes to this state:

1. The ownership by that person of tangible or intangible property located at the Oklahoma premises of the commercial printer for use by the printer in performing its services for the owner;

2. The periodic presence of employees of that person at the Oklahoma premises of the commercial printer which is directly related to the services provided by that commercial printer; or

3. The printing, including printing-related activities and distribution of printed materials, performed by the commercial printer in Oklahoma for or on behalf of that person.

SECTION 2. AMENDATORY 68 O.S. 1991, Section 1406, as last amended by Section 6, Chapter 289, O.S.L. 1996 (68 O.S. Supp. 2000, Section 1406), is amended to read as follows:

Section 1406. ~~Every~~ Except as otherwise provided in Section 1 of this act, every retailer or vendor maintaining places of business

both within and without this state and making sales of tangible personal property from a place of business outside this state for use in this state shall at the time of making such sales collect the use tax levied by Section 1401 et seq. of this title from the purchaser and give to the purchaser a receipt therefor in the manner and form prescribed by the Tax Commission, if the Tax Commission shall, by regulation, require such receipt. Each retailer or vendor shall list with the Tax Commission the name and address of all the retailer's or vendor's agents operating in this state and location of any and all distribution or sales houses or offices or other places of business in this state. The retailer or vendor shall not collect the use tax levied by Section 1402 of this title from a purchaser who is a holder of a direct payment permit issued pursuant to ~~Section 1 of Enrolled Senate Bill No. 1258 of the 2nd Session of the 45th Oklahoma Legislature~~ Section 1364.1 of this title.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2386 of Title 68, unless there is created a duplication in numbering, reads as follows:

The following activities, either singularly or in the aggregate, with respect to any person that is not otherwise subject to income taxation in the State of Oklahoma, that has contracted with a commercial printer in this state for any printing, including but not limited to printing-related activities and distribution of printed materials, to be performed in Oklahoma, shall not subject that person to the income tax laws of this state:

1. The ownership by that person of tangible or intangible property located at the Oklahoma premises of the commercial printer for use by the printer in performing its services for the owner;
2. The periodic presence of employees of that person at the Oklahoma premises of the commercial printer which is directly related to the services provided by that commercial printer; or
3. The printing, including printing-related activities and distribution of printed materials, performed by the commercial printer in Oklahoma for or on behalf of that person.

SECTION 4. 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 27th day of February, 2001.

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Presiding Officer of the Senate

Passed the House of Representatives the 28th day of March, 2001.

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Presiding Officer of the House  
of Representatives