

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

SENATE BILL 1948

By: Brogdon

AS INTRODUCED

An Act relating to revenue and taxation; modifying tax rate on cigarettes sold by specified retailers within this state; defining terms; levying tax; requiring Oklahoma Tax Commission to promulgate rules; providing for codification; providing an effective date; 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 302-5a of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For purposes of this section:

1. "Qualifying retailer" shall mean any retailer licensed pursuant to Section 304 of Title 68 of the Oklahoma Statutes to sell cigarettes in this state;

2. "Qualifying location" shall mean any non-tribal retail location located within a twenty-five (25) mile radius of a tribal cigarette retailer, as certified by the Oklahoma Tax Commission; and

3. "Tribal tax rate" shall mean the rate established by a compact executed pursuant to Section 346 of Title 68 of the Oklahoma Statutes or pursuant to the provisions of Section 349 of Title 68 of the Oklahoma Statutes, which applies to a tribal retailer located nearest to a qualifying retailer within a twenty-five (25) mile radius.

B. Effective July 1, 2006, in lieu of the rate of tax levied in Sections 302, 302-1, 302-2, 302-3, 302-4 and 302-5 of Title 68 of the Oklahoma Statutes, there is hereby levied upon the sale, use, gift, possession or consumption of cigarettes, as defined in

Sections 301 through 325 of Title 68 of the Oklahoma Statutes, within this state, a tax on cigarettes sold by any qualifying retailer at a qualifying location of either:

1. Ten percent (10%) greater than the tribal tax rate, or
2. The tribal tax rate plus one-half cent (\$0.005) per cigarette, whichever is greater.

C. The Tax Commission shall promulgate rules as are necessary to implement the provisions of this section.

SECTION 2. This act shall become effective July 1, 2006.

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.

50-2-3032

JCR

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