

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 CONFERENCE COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED

5 SENATE BILL 1321

By: Gumm and Russell of the  
Senate

6 and

7 Terrill and Buck of the  
8 House

9 CONFERENCE COMMITTEE SUBSTITUTE

10 An Act relating to sales tax; amending 68 O.S. 2001,  
11 Section 1361.1, as amended by Section 2, Chapter 272,  
12 O.S.L. 2006 (68 O.S. Supp. 2009, Section 1361.1),  
13 which relates to sales tax vendor liability;  
14 modifying penalty for vendor who fails to honor  
15 certain exemption; defining terms; requiring Oklahoma  
16 Tax Commission to suspend sales tax permit under  
17 certain circumstances for specified time period;  
18 making certain written communications public;  
19 providing an effective date; and declaring an  
20 emergency.

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

22 SECTION 1. AMENDATORY 68 O.S. 2001, Section 1361.1, as  
23 amended by Section 2, Chapter 272, O.S.L. 2006 (68 O.S. Supp. 2009,  
24 Section 1361.1), is amended to read as follows:

Section 1361.1 A. If a vendor, in good faith, timely accepts  
from a consumer properly completed documentation certified by the  
Oklahoma Tax Commission that such consumer is exempt from the taxes

1 levied by the Oklahoma Sales Tax Code, the vendor shall be relieved  
2 of any liability for any sales tax or the duty to collect any sales  
3 tax imposed by the provisions of Section 1361 of this title upon  
4 such vendor with respect to such sale.

5 B. A vendor who has actual knowledge that a consumer is  
6 entitled to an exemption under paragraph 34 of Section 1357 of this  
7 title and who willfully or intentionally refuses to honor the  
8 exemption shall be ~~punished by an administrative fine of~~ guilty of a  
9 misdemeanor punishable by a fine of not more than Five Hundred  
10 Dollars (\$500.00) per offense. For the purposes of this subsection,  
11 "vendor" means any individual most responsible for supervising, and  
12 the conduct of, any employee who intentionally refuses to honor the  
13 exemption including, but not limited to, a manager, owner, partner  
14 or corporate officer.

15 C. Notwithstanding any misdemeanor conviction under subsection  
16 B of this section, the Commission shall suspend, for a period of not  
17 less than seven (7) days for each offense, the sales tax permit of  
18 any vendor who has actual knowledge that a consumer is entitled to  
19 an exemption under paragraph 34 of Section 1357 of this title and  
20 who willfully or intentionally refuses to honor such exemption. For  
21 the purposes of this subsection, "vendor" means the individual,  
22 business, company, corporation, limited liability company or sole  
23 proprietor to which the sales tax permit is issued.

24

1        D. Any written communication between the Commission and any  
2 vendor as defined in subsection C of this section that is an attempt  
3 by the Commission to enforce the provisions of this section shall be  
4 public and, notwithstanding any other provision of law, no  
5 presumption of confidentiality shall exist for such communications.  
6 The Commission shall, upon request of any consumer entitled to an  
7 exemption under paragraph 34 of Section 1357 of this title, transmit  
8 to such consumer copies of such communication.

9        SECTION 2. This act shall become effective July 1, 2010.

10       SECTION 3. It being immediately necessary for the preservation  
11 of the public peace, health and safety, an emergency is hereby  
12 declared to exist, by reason whereof this act shall take effect and  
13 be in full force from and after its passage and approval.

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