

ENROLLED SENATE
BILL NO. 1522

By: Johnson (Mike) and Myers of
the Senate

and

Miller and Martin (Scott)
of the House

An Act relating to sales and use tax; amending 68 O.S. 2001, Sections 1353, as last amended by Section 8, Chapter 278, O.S.L. 2008, 1403, as last amended by Section 9, Chapter 278, O.S.L. 2008 and 50014, as last amended by Section 15, Chapter 44, 2nd Extraordinary Session, O.S.L. 2006 (68 O.S. Supp. 2009, Sections 1353, 1403 and 50014), which relate to apportionment of sales and use tax revenue; modifying apportionment of sales tax; modifying apportionment of use tax; modifying purpose for use of sales and use tax revenue apportioned to Oklahoma Tourism Capital Improvement Revolving Fund; creating Oklahoma Historical Society Capital Improvement and Operations Revolving Fund; providing for distribution of revenue to Revolving Fund and for expenditures from fund; prohibiting certain transfers; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 68 O.S. 2001, Section 1353, as last amended by Section 8, Chapter 278, O.S.L. 2008 (68 O.S. Supp. 2009, Section 1353), is amended to read as follows:

Section 1353. A. It is hereby declared to be the purpose of the Oklahoma Sales Tax Code to provide funds for the financing of the program provided for by the Oklahoma Social Security Act and to

provide revenues for the support of the functions of the state government of Oklahoma, and for this purpose it is hereby expressly provided that, revenues derived pursuant to the provisions of the Oklahoma Sales Tax Code, subject to the apportionment requirements for the Oklahoma Tax Commission and Office of State Finance Joint Computer Enhancement Fund provided by Section ~~6~~ 265 of this ~~act~~ title, shall be apportioned as follows:

1. a. the following amounts shall be paid to the State Treasurer to be placed to the credit of the General Revenue Fund to be paid out pursuant to direct appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	86.04%
FY 2005	85.83%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

- b. in the event that additional monies are necessary pursuant to paragraph ~~5~~ 6 of this section, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund;

2. For FY 2003, FY 2004 and FY 2005, ten and forty-two one-hundredths percent (10.42%), shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education and for FY 2006 and each fiscal year thereafter, ten and forty-six one-hundredths percent (10.46%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education;

3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

4. For the fiscal year beginning ~~July 1, 2007~~ July 1, 2010, and for each fiscal year thereafter, ~~ninety-three~~ eighty-seven one-hundredths percent ~~(0.93%)~~ (0.87%) shall be paid to the State Treasurer to be further apportioned as follows:

- a. thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, and
- b. sixty-four percent (64%) shall be placed to the credit of the Oklahoma Tourism Capital Improvement Revolving Fund; and

5. For the fiscal year beginning July 1, 2010, and for each fiscal year thereafter, six one-hundredths percent (0.06%) shall be placed to the credit of the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund.

6. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to paragraph 3 of this section, and for each fiscal year thereafter, in no event shall monies apportioned pursuant to paragraph 3 of this section, paragraph 3 of Section 1403 of this title and subparagraph c of paragraph 1 of Section 2352 of this title be less than such baseline amount.

B. Provided, for the fiscal year beginning July 1, 2007, and every fiscal year thereafter, an amount of revenue shall be apportioned to each municipality or county which levies a sales tax subject to the provisions of Section 1357.10 of this title and subsection F of Section 2701 of this title equal to the amount of sales tax revenue of such municipality or county exempted by the provisions of Section 1357.10 of this title and subsection F of Section 2701 of this title. The Oklahoma Tax Commission shall promulgate and adopt rules necessary to implement the provisions of this subsection.

SECTION 2. AMENDATORY 68 O.S. 2001, Section 1403, as last amended by Section 9, Chapter 278, O.S.L. 2008 (68 O.S. Supp. 2009, Section 1403), is amended to read as follows:

Section 1403. It is hereby declared to be the purpose of Section 1401 et seq. of this title to provide for the support of the functions of the state and local government of Oklahoma; and for this purpose and to this end, it is hereby expressly provided that the revenues derived hereunder, subject to the apportionment requirements for the Oklahoma Tax Commission and Office of State Finance Joint Computer Enhancement Fund provided by Section ~~6~~ 265 of this ~~act~~ title, are hereby apportioned as follows:

1. a. the following amounts shall be paid by the Tax Commission to the State Treasurer and placed to the credit of the General Revenue Fund to be paid out pursuant to direct appropriation by the Legislature:

Fiscal Year	Amount
FY 2004	85.35%
FY 2005	85.14%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

- b. in the event that additional monies are necessary pursuant to paragraph ~~5~~ 6 of this section, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund;

2. Ten and forty-six one-hundredths percent (10.46%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education;

3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

4. For the fiscal year beginning ~~July 1, 2007~~ July 1, 2010, and for each fiscal year thereafter, ~~ninety-three~~ eighty-seven one-hundredths percent ~~(0.93%)~~ (0.87%) shall be paid to the State Treasurer to be further apportioned as follows:

- a. thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, and
- b. sixty-four percent (64%) shall be placed to the credit of the Oklahoma Tourism Capital Improvement Revolving Fund; and

5. For the fiscal year beginning July 1, 2010, and for each fiscal year thereafter, six one-hundredths percent (0.06%) shall be placed to the credit of the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund.

6. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to paragraph 3 of this section, and for each fiscal year thereafter, in no event shall monies apportioned pursuant to paragraph 3 of this section, paragraph 3 of Section 1353 of this title and subparagraph c of paragraph 1 of Section 2352 of this title be less than such baseline amount.

SECTION 3. AMENDATORY 68 O.S. 2001, Section 50014, as last amended by Section 15, Chapter 44, 2nd Extraordinary Session, O.S.L. 2006 (68 O.S. Supp. 2009, Section 50014), is amended to read as follows:

Section 50014. A. 1. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tourism and Recreation Department, to be designated the "Oklahoma Tourism Promotion Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Tourism and Recreation Department and apportioned to such fund pursuant to the provisions of Sections 1353 and 1403 of this title and such other monies accredited to the fund pursuant to law.

2. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Tourism and Recreation Department for the purpose of Oklahoma tourism promotion, as defined by Section 50011 of this title, provided that the Department shall ensure that all areas of the state will be adequately promoted, and all monies expended from the fund shall reflect a consistent brand and image in the promotion of Oklahoma tourism.

3. No monies from this revolving fund shall be transferred for any purpose to any other state agency or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense with the exception of contracting and

payment for research work completed by an institution of The Oklahoma State System of Higher Education. No monies from this revolving fund shall be expended for any wage or salary of any employee of any state agency. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

B. 1. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tourism and Recreation Department, to be designated the "Oklahoma Tourism Capital Improvement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Tourism and Recreation Department and apportioned to such fund pursuant to the provisions of Sections 1353 and 1403 of this title and such other monies accredited to the fund pursuant to law.

2. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Tourism and Recreation Department for the ~~exclusive~~ purpose of funding capital improvement projects or operations at state parks and tourist information centers; provided, no more than twenty percent (20%) of the amount accruing annually shall be expended for the purpose of funding operations.

3. No monies from this revolving fund shall be transferred for any purpose to any other state agency ~~or be used for any purpose other than funding capital improvement projects at state parks. No monies from this revolving fund shall be expended for any wage or salary of any employee of any state agency.~~ Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1.10a of Title 53, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Historical Society, to be designated the "Oklahoma Historical Society Capital Improvement and Operations Revolving Fund". The fund shall be a continuing fund, not subject

to fiscal year limitations, and shall consist of all monies received by the Oklahoma Historical Society and apportioned to such fund pursuant to the provisions of Sections 1353 and 1403 of this title and such other monies accredited to the fund pursuant to law.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Historical Society for the purpose of maintaining and operating the Oklahoma Historical Society functions, capital improvements and for operation of historic sites.

C. No monies from this revolving fund shall be transferred for any purpose to any other state agency. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 5. This act shall become effective July 1, 2010.

SECTION 6. 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 24th day of May, 2010.

Presiding Officer of the Senate

Passed the House of Representatives the 26th day of May, 2010.

Presiding Officer of the House
of Representatives