

EHB 2247

1 THE STATE SENATE
2 Monday, April 6, 2009

3 ENGROSSED

4 House Bill No. 2247

5 As Amended

6 ENGROSSED HOUSE BILL NO. 2247 - By: Terrill, Denney, Dorman, Martin
7 (Scott), Brown, Shumate and Hilliard of the House and Nichols,
8 Ivester and Sparks of the Senate.

9 [revenue and taxation - income tax credits - wind and/or
10 photovoltaic energy systems - sales tax exemptions -
11 codification - effective dates -
12 emergency]

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

14 SECTION 1. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 2357.401 of Title 68, unless
16 there is created a duplication in numbering, reads as follows:

17 A. 1. For all taxable years beginning after December 31, 2009,
18 any taxpayer, having a wind and/or photovoltaic energy system
19 installed on residential property in this state, may claim a credit
20 against the tax imposed by Section 2355 of Title 68 of the Oklahoma
21 Statutes. In determining the amount of credit allowed, the taxpayer
22 may include in the total costs of the wind and/or photovoltaic
23 energy system such direct expenses incurred for equipment,
24 construction, and installation of the system, less all seller
25 rebates and remunerations of any type resulting from the
26 installation.

1 2. The following percentage of the qualified wind and/or
2 photovoltaic energy system expenditures shall be allowed as a credit
3 under the provisions of this subsection for the taxable year in
4 which the cost is incurred:

5	Taxable Year	Percentage of Expenditure
6	a. 2010	40%
7	b. 2011	40%
8	c. 2012	40%
9	d. 2013	40%
10	e. 2014	40%

11 B. The credit authorized by subsection A of this section shall
12 be computed as forty percent (40%) of the amount of the qualified
13 expenditure. Not more than twenty-five percent (25%) of the credit
14 amount may be claimed for any taxable year. Any amount of credit
15 not used may be carried over, in order, to each of the ten (10)
16 subsequent taxable years.

17 C. 1. For all taxable years beginning after December 31, 2009,
18 any taxpayer, having a wind and/or photovoltaic energy system
19 installed on nonresidential property in this state, may claim a
20 credit against the tax imposed by Section 2355 of Title 68 of the
21 Oklahoma Statutes. In determining the amount of credit allowed, the
22 taxpayer may include in the total costs of the wind and/or
23 photovoltaic energy system such direct expenses incurred for

1 equipment, construction, and installation of the system, less all
2 seller rebates and remunerations of any type resulting from the
3 installation.

4 2. The following percentage of the qualified wind and/or
5 photovoltaic energy system expenditures shall be allowed as a credit
6 under the provisions of this subsection for the taxable year in
7 which the cost is incurred:

8	Taxable Year	Percentage of Expenditure
9	a. 2010	40%
10	b. 2011	40%
11	c. 2012	40%
12	d. 2013	40%
13	e. 2014	40%

14 3. For the purposes of qualifying for the tax credit provided
15 for in this subsection, more than fifty percent (50%) of the energy
16 produced by the wind and/or photovoltaic energy system must be
17 utilized on the premises of the installation and the wind turbines
18 and solar arrays may not exceed one hundred kilowatt (100 kW) in
19 nameplate power rating.

20 4. The credit authorized by this subsection shall be computed
21 as forty percent (40%) of the amount of the qualified expenditure.
22 Not more than twenty-five percent (25%) of the credit amount may be
23 claimed for any taxable year. Any amount of credit not used may be

1 carried over, in order, to each of the ten (10) subsequent taxable
2 years.

3 D. An itemized accounting of the cost and an affidavit
4 attesting to the facts thereof shall be furnished to the taxpayer by
5 the supplier of the wind and/or photovoltaic energy system. The
6 itemized accounting shall include the amounts properly attributable
7 to the cost of acquisition, construction, and installation of the
8 wind and/or photovoltaic energy system. The taxpayer shall include
9 a copy of said accounting when claiming either credit provided for
10 in this section.

11 E. Wind turbines shall be rated in accordance with the latest
12 performance rating standards published or endorsed by the American
13 Wind Energy Association (AWEA) and the manufacturer must be a member
14 in good standing of AWEA in order to qualify for the credits
15 provided for in this section. Photovoltaic modules shall be rated
16 in accordance with the latest United States Department of Energy
17 (US-DOE) or Solar Energy Industries Association (SEIA) endorsed
18 performance rating standard and the manufacturer must be a member in
19 good standing of SEIA in order to qualify for the credits provided
20 for in this section.

21 F. For wind and/or solar energy systems, product performance
22 specifications conforming to AWEA or DOE/SEIA standards, as
23 appropriate for renewable energy generating equipment, shall be

1 provided to potential purchasers prior to any qualifying purchase.
2 Wind and/or solar energy resource information, as most recently
3 published by the U.S. Department of Energy or the Oklahoma Wind
4 Power Initiative (OWPI), for the state shall also be provided to
5 potential purchasers prior to any qualifying purchase pursuant to
6 the provisions of this section.

7 G. For the purpose of either credit provided for in this
8 section, qualifying wind and/or photovoltaic energy systems shall
9 carry, as a minimum, a five-year limited warranty covering defects
10 in design and manufacture. For other than owner-installed systems,
11 qualifying wind and/or photovoltaic energy systems shall also carry,
12 as a minimum, a five-year limited warranty covering defects in
13 installation.

14 SECTION 2. AMENDATORY 68 O.S. 2001, Section 1357, as
15 last amended by Section 3, Chapter 436, O.S.L. 2008 (68 O.S. Supp.
16 2008, Section 1357), is amended to read as follows:

17 Section 1357. Exemptions - General.

18 There are hereby specifically exempted from the tax levied by
19 the Oklahoma Sales Tax Code:

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

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

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

1 such motor fuel is purchased for fueling, within this state, of any
2 locomotive or other motorized flanged wheel equipment;

3 4. Sales of advertising space in newspapers and periodicals;

4 5. Sales of programs relating to sporting and entertainment
5 events, and sales of advertising on billboards (including signage,
6 posters, panels, marquees, or on other similar surfaces, whether
7 indoors or outdoors) or in programs relating to sporting and
8 entertainment events, and sales of any advertising, to be displayed
9 at or in connection with a sporting event, via the Internet,
10 electronic display devices, or through public address or broadcast
11 systems. The exemption authorized by this paragraph shall be
12 effective for all sales made on or after January 1, 2001;

13 6. Sales of any advertising, other than the advertising
14 described by paragraph 5 of this section, via the Internet,
15 electronic display devices, or through the electronic media,
16 including radio, public address or broadcast systems, television
17 (whether through closed circuit broadcasting systems or otherwise),
18 and cable and satellite television, and the servicing of any
19 advertising devices;

20 7. Eggs, feed, supplies, machinery and equipment purchased by
21 persons regularly engaged in the business of raising worms, fish,
22 any insect or any other form of terrestrial or aquatic animal life
23 and used for the purpose of raising same for marketing. This

1 exemption shall only be granted and extended to the purchaser when
2 the items are to be used and in fact are used in the raising of
3 animal life as set out above. Each purchaser shall certify, in
4 writing, on the invoice or sales ticket retained by the vendor that
5 the purchaser is regularly engaged in the business of raising such
6 animal life and that the items purchased will be used only in such
7 business. The vendor shall certify to the Oklahoma Tax Commission
8 that the price of the items has been reduced to grant the full
9 benefit of the exemption. Violation hereof by the purchaser or
10 vendor shall be a misdemeanor;

11 8. Sale of natural or artificial gas and electricity, and
12 associated delivery or transmission services, when sold exclusively
13 for residential use. Provided, this exemption shall not apply to
14 any sales tax levied by a city or town, or a county, or any other
15 jurisdiction in this state;

16 9. In addition to the exemptions authorized by Section 1357.6
17 of this title, sales of drugs sold pursuant to a prescription
18 written for the treatment of human beings by a person licensed to
19 prescribe the drugs, and sales of insulin and medical oxygen.
20 Provided, this exemption shall not apply to over-the-counter drugs;

21 10. Transfers of title or possession of empty, partially
22 filled, or filled returnable oil and chemical drums to any person
23 who is not regularly engaged in the business of selling, reselling

1 or otherwise transferring empty, partially filled, or filled
2 returnable oil drums;

3 11. Sales of one-way utensils, paper napkins, paper cups,
4 disposable hot containers and other one-way carry out materials to a
5 vendor of meals or beverages;

6 12. Sales of food or food products for home consumption which
7 are purchased in whole or in part with coupons issued pursuant to
8 the federal food stamp program as authorized by Sections 2011
9 through 2029 of Title 7 of the United States Code, as to that
10 portion purchased with such coupons. The exemption provided for
11 such sales shall be inapplicable to such sales upon the effective
12 date of any federal law that removes the requirement of the
13 exemption as a condition for participation by the state in the
14 federal food stamp program;

15 13. Sales of food or food products, or any equipment or
16 supplies used in the preparation of the food or food products to or
17 by an organization which:

18 a. 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 provides and
21 delivers prepared meals for home consumption to
22 elderly or homebound persons as part of a program

1 commonly known as "Meals on Wheels" or "Mobile Meals",
2 or
3 b. is exempt from taxation pursuant to the provisions of
4 Section 501(c)(3) of the Internal Revenue Code, 26
5 U.S.C., Section 501(c)(3), and which receives federal
6 funding pursuant to the Older Americans Act of 1965,
7 as amended, for the purpose of providing nutrition
8 programs for the care and benefit of elderly persons;
9 14. a. Sales of tangible personal property or services to or
10 by organizations which are exempt from taxation
11 pursuant to the provisions of Section 501(c)(3) of the
12 Internal Revenue Code, 26 U.S.C., Section 501(c)(3),
13 and:
14 (1) are primarily involved in the collection and
15 distribution of food and other household products
16 to other organizations that facilitate the
17 distribution of such products to the needy and
18 such distributee organizations are exempt from
19 taxation pursuant to the provisions of Section
20 501(c)(3) of the Internal Revenue Code, 26
21 U.S.C., Section 501(c)(3), or
22 (2) facilitate the distribution of such products to
23 the needy.

1 b. Sales made in the course of business for profit or
2 savings, competing with other persons engaged in the
3 same or similar business shall not be exempt under
4 this paragraph;

5 15. Sales of tangible personal property or services to
6 children's homes which are located on church-owned property and are
7 operated by organizations exempt from taxation pursuant to the
8 provisions of the Internal Revenue Code, 26 U.S.C., Section
9 501(c)(3);

10 16. Sales of computers, data processing equipment, related
11 peripherals and telephone, telegraph or telecommunications service
12 and equipment for use in a qualified aircraft maintenance or
13 manufacturing facility. For purposes of this paragraph, "qualified
14 aircraft maintenance or manufacturing facility" means a new or
15 expanding facility primarily engaged in aircraft repair, building or
16 rebuilding whether or not on a factory basis, whose total cost of
17 construction exceeds the sum of Five Million Dollars (\$5,000,000.00)
18 and which employs at least two hundred fifty (250) new full-time-
19 equivalent employees, as certified by the Oklahoma Employment
20 Security Commission, upon completion of the facility. In order to
21 qualify for the exemption provided for by this paragraph, the cost
22 of the items purchased by the qualified aircraft maintenance or

1 manufacturing facility shall equal or exceed the sum of Two Million
2 Dollars (\$2,000,000.00);

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

12 18. Sales of the following telecommunications services:

13 a. Interstate and International "800 service". "800
14 service" means a "telecommunications service" that
15 allows a caller to dial a toll-free number without
16 incurring a charge for the call. The service is
17 typically marketed under the name "800", "855", "866",
18 "877", and "888" toll-free calling, and any subsequent
19 numbers designated by the Federal Communications
20 Commission, or

21 b. Interstate and International "900 service". "900
22 service" means an inbound toll "telecommunications
23 service" purchased by a subscriber that allows the

1 subscriber's customers to call in to the subscriber's
2 prerecorded announcement or live service. "900
3 service" does not include the charge for: collection
4 services provided by the seller of the
5 "telecommunications services" to the subscriber, or
6 service or product sold by the subscriber to the
7 subscriber's customer. The service is typically
8 marketed under the name "900" service, and any
9 subsequent numbers designated by the Federal
10 Communications Commission,

11 c. Interstate and International "private communications
12 service". "Private communications service" means a
13 "telecommunications service" that entitles the
14 customer to exclusive or priority use of a
15 communications channel or group of channels between or
16 among termination points, regardless of the manner in
17 which such channel or channels are connected, and
18 includes switching capacity, extension lines,
19 stations, and any other associated services that are
20 provided in connection with the use of such channel or
21 channels,

22 d. "Value-added nonvoice data service". "Value-added
23 nonvoice data service" means a service that otherwise

1 meets the definition of "telecommunications services"
2 in which computer processing applications are used to
3 act on the form, content, code, or protocol of the
4 information or data primarily for a purpose other than
5 transmission, conveyance or routing,

6 e. Interstate and International telecommunications
7 service which is:

8 (1) rendered by a company for private use within its
9 organization, or

10 (2) used, allocated, or distributed by a company to
11 its affiliated group,

12 f. Regulatory assessments and charges, including charges
13 to fund the Oklahoma Universal Service Fund, the
14 Oklahoma Lifeline Fund and the Oklahoma High Cost
15 Fund, and

16 g. Telecommunications nonrecurring charges, including but
17 not limited to the installation, connection, change or
18 initiation of telecommunications services which are
19 not associated with a retail consumer sale;

20 19. Sales of railroad track spikes manufactured and sold for
21 use in this state in the construction or repair of railroad tracks,
22 switches, sidings and turnouts;

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

14 21. Sales of machinery and equipment purchased and used by
15 persons and establishments primarily engaged in computer services
16 and data processing:

17 a. as defined under Industrial Group Numbers 7372 and
18 7373 of the Standard Industrial Classification (SIC)
19 Manual, latest version, which derive at least fifty
20 percent (50%) of their annual gross revenues from the
21 sale of a product or service to an out-of-state buyer
22 or consumer, and

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

6 Eligibility for the exemption set out in this paragraph shall be
7 established, subject to review by the Tax Commission, by annually
8 filing an affidavit with the Tax Commission stating that the
9 facility so qualifies and such information as required by the Tax
10 Commission. For purposes of determining whether annual gross
11 revenues are derived from sales to out-of-state buyers or consumers,
12 all sales to the federal government shall be considered to be to an
13 out-of-state buyer or consumer;

14 22. Sales of prosthetic devices to an individual for use by
15 such individual. For purposes of this paragraph, "prosthetic
16 device" shall have the same meaning as provided in Section 1357.6 of
17 this title, but shall not include corrective eye glasses, contact
18 lenses or hearing aids;

19 23. Sales of tangible personal property or services to a motion
20 picture or television production company to be used or consumed in
21 connection with an eligible production. For purposes of this
22 paragraph, "eligible production" means a documentary, special, music
23 video, or a television commercial or television program that will

1 serve as a pilot for or be a segment of an ongoing dramatic or
2 situation comedy series filmed or taped for network or national or
3 regional syndication or a feature-length motion picture intended for
4 theatrical release or for network or national or regional
5 syndication or broadcast. The provisions of this paragraph shall
6 apply to sales occurring on or after July 1, 1996. In order to
7 qualify for the exemption, the motion picture or television
8 production company shall file any documentation and information
9 required to be submitted pursuant to rules promulgated by the Tax
10 Commission;

11 24. Sales of diesel fuel sold for consumption by commercial
12 vessels, barges and other commercial watercraft;

13 25. Sales of tangible personal property or services to tax-
14 exempt independent nonprofit biomedical research foundations that
15 provide educational programs for Oklahoma science students and
16 teachers and to tax-exempt independent nonprofit community blood
17 banks headquartered in this state;

18 26. Effective May 6, 1992, sales of wireless telecommunications
19 equipment to a vendor who subsequently transfers the equipment at no
20 charge or for a discounted charge to a consumer as part of a
21 promotional package or as an inducement to commence or continue a
22 contract for wireless telecommunications services;

1 27. Effective January 1, 1991, leases of rail transportation
2 cars to haul coal to coal-fired plants located in this state which
3 generate electric power;

4 28. Beginning July 1, 2005, sales of aircraft engine repairs,
5 modification, and replacement parts, sales of aircraft frame repairs
6 and modification, aircraft interior modification, and paint, and
7 sales of services employed in the repair, modification and
8 replacement of parts of aircraft engines, aircraft frame and
9 interior repair and modification, and paint;

10 29. Sales of materials and supplies to the owner or operator of
11 a ship, motor vessel or barge that is used in interstate or
12 international commerce if the materials and supplies:

13 a. are loaded on the ship, motor vessel or barge and used
14 in the maintenance and operation of the ship, motor
15 vessel or barge, or

16 b. enter into and become component parts of the ship,
17 motor vessel or barge;

18 30. Sales of tangible personal property made at estate sales at
19 which such property is offered for sale on the premises of the
20 former residence of the decedent by a person who is not required to
21 be licensed pursuant to the Transient Merchant Licensing Act, or who
22 is not otherwise required to obtain a sales tax permit for the sale

1 of such property pursuant to the provisions of Section 1364 of this
2 title; provided:

- 3 a. such sale or event may not be held for a period
4 exceeding three (3) consecutive days,
- 5 b. the sale must be conducted within six (6) months of
6 the date of death of the decedent, and
- 7 c. the exemption allowed by this paragraph shall not be
8 allowed for property that was not part of the
9 decedent's estate;

10 31. Beginning January 1, 2004, sales of electricity and
11 associated delivery and transmission services, when sold exclusively
12 for use by an oil and gas operator for reservoir dewatering projects
13 and associated operations commencing on or after July 1, 2003, in
14 which the initial water-to-oil ratio is greater than or equal to
15 five-to-one water-to-oil, and such oil and gas development projects
16 have been classified by the Corporation Commission as a reservoir
17 dewatering unit;

18 32. Sales of prewritten computer software that is delivered
19 electronically. For purposes of this paragraph, "delivered
20 electronically" means delivered to the purchaser by means other than
21 tangible storage media;

22 33. Sales of modular dwelling units when built at a production
23 facility and moved in whole or in parts, to be assembled on-site,

1 and permanently affixed to the real property and used for
2 residential or commercial purposes. The exemption provided by this
3 paragraph shall equal forty-five percent (45%) of the total sales
4 price of the modular dwelling unit. For purposes of this paragraph,
5 "modular dwelling unit" means a structure that is not subject to the
6 motor vehicle excise tax imposed pursuant to Section 2103 of this
7 title;

8 34. Sales of tangible personal property or services to persons
9 who are residents of Oklahoma and have been honorably discharged
10 from active service in any branch of the Armed Forces of the United
11 States or Oklahoma National Guard and who have been certified by the
12 United States Department of Veterans Affairs or its successor to be
13 in receipt of disability compensation at the one-hundred-percent
14 rate and the disability shall be permanent and have been sustained
15 through military action or accident or resulting from disease
16 contracted while in such active service; provided, sales for the
17 benefit of the person to a spouse of the eligible person or to a
18 member of the household in which the eligible person resides and who
19 is authorized to make purchases on the person's behalf, when such
20 eligible person is not present at the sale, shall also be exempt for
21 purposes of this paragraph. Sales qualifying for the exemption
22 authorized by this paragraph shall not exceed Twenty-five Thousand
23 Dollars (\$25,000.00) per year per individual. Upon request of the

1 Tax Commission, a person asserting or claiming the exemption
2 authorized by this paragraph shall provide a statement, executed
3 under oath, that the total sales amounts for which the exemption is
4 applicable have not exceeded Twenty-five Thousand Dollars
5 (\$25,000.00) per year. If the amount of such exempt sales exceeds
6 such amount, the sales tax in excess of the authorized amount shall
7 be treated as a direct sales tax liability and may be recovered by
8 the Tax Commission in the same manner provided by law for other
9 taxes, including penalty and interest;

10 35. Sales of electricity to the operator, specifically
11 designated by the Oklahoma Corporation Commission, of a spacing unit
12 or lease from which oil is produced or attempted to be produced
13 using enhanced recovery methods, including, but not limited to,
14 increased pressure in a producing formation through the use of water
15 or saltwater if the electrical usage is associated with and
16 necessary for the operation of equipment required to inject or
17 circulate fluids in a producing formation for the purpose of forcing
18 oil or petroleum into a wellbore for eventual recovery and
19 production from the wellhead. In order to be eligible for the sales
20 tax exemption authorized by this paragraph, the total content of oil
21 recovered after the use of enhanced recovery methods shall not
22 exceed one percent (1%) by volume. The exemption authorized by this

1 paragraph shall be applicable only to the state sales tax rate and
2 shall not be applicable to any county or municipal sales tax rate;

3 36. Sales of intrastate charter and tour bus transportation.
4 As used in this paragraph, "intrastate charter and tour bus
5 transportation" means the transportation of persons from one
6 location in this state to another location in this state in a motor
7 vehicle which has been constructed in such a manner that it may
8 lawfully carry more than eighteen persons, and which is ordinarily
9 used or rented to carry persons for compensation. Provided, this
10 exemption shall not apply to regularly scheduled bus transportation
11 for the general public;

12 37. Sales of vitamins, minerals and dietary supplements by a
13 licensed chiropractor to a person who is the patient of such
14 chiropractor at the physical location where the chiropractor
15 provides chiropractic care or services to such patient. The
16 provisions of this paragraph shall not be applicable to any drug,
17 medicine or substance for which a prescription by a licensed
18 physician is required;

19 38. Sales of goods, wares, merchandise, tangible personal
20 property, machinery and equipment to a web search portal located in
21 this state which derives at least eighty percent (80%) of its annual
22 gross revenue from the sale of a product or service to an out-of-
23 state buyer or consumer. For purposes of this paragraph, "web

1 search portal" means an establishment classified under NAICS code
2 518112 which operates web sites that use a search engine to generate
3 and maintain extensive databases of Internet addresses and content
4 in an easily searchable format;

5 39. Sales of tangible personal property consumed or
6 incorporated in the construction or expansion of a facility for a
7 corporation organized under Section 437 et seq. of Title 18 of the
8 Oklahoma Statutes as a rural electric cooperative. For purposes of
9 this paragraph, sales made to a contractor or subcontractor that has
10 previously entered into a contractual relationship with a rural
11 electric cooperative for construction or expansion of a facility
12 shall be considered sales made to a rural electric cooperative;

13 40. Sales of tangible personal property or services to a
14 business primarily engaged in the repair of consumer electronic
15 goods, including, but not limited to, cell phones, compact disc
16 players, personal computers, MP3 players, digital devices for the
17 storage and retrieval of information through hard-wired or wireless
18 computer or Internet connections, if the devices are sold to the
19 business by the original manufacturer of such devices and the
20 devices are repaired, refitted or refurbished for sale by the entity
21 qualifying for the exemption authorized by this paragraph directly
22 to retail consumers or if the devices are sold to another business
23 entity for sale to retail consumers; and

1 41. Before July 1, 2014, sales of rolling stock when sold or
2 leased by the manufacturer, regardless of whether the purchaser is a
3 public services corporation engaged in business as a common carrier
4 of property or passengers by railway, for use or consumption by a
5 common carrier directly in the rendition of public service. For
6 purposes of this paragraph, "rolling stock" means locomotives,
7 autocars and railroad cars; and

8 42. Sales of tangible personal property that consists of
9 qualified wind and/or photovoltaic energy equipment for which the
10 income tax credit authorized by Section 1 of this act may be
11 claimed.

12 SECTION 3. Section 1 of this act shall become effective January
13 1, 2010.

14 SECTION 4. Section 2 of this act shall become effective July 1,
15 2009.

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

20 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 3-31-09 - DO PASS,
21 As Amended and Coauthored.