

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1853

By: Reynolds

4
5
6 AS INTRODUCED

7 An Act relating to revenue and taxation; providing an
8 exemption from sales tax for any handgun, rifle or
9 shotgun and certain ammunition sold during specified
10 season; amending Section 5, Chapter 136, O.S.L. 2007
11 and 68 O.S. 2001, Section 2701, as last amended by
12 Section 6, Chapter 136, O.S.L. 2007 (68 O.S. Supp.
13 2009, Sections 1377 and 2701), which relate to sales
14 tax; prohibiting the imposition of county or
15 authority sales tax on certain items under specified
16 conditions; providing exemption from sales tax
17 imposed by city or town for certain items under
18 specified conditions; providing for codification; and
19 providing an effective date.

20
21
22
23
24
25 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

26 SECTION 1. NEW LAW A new section of law to be codified
27 in the Oklahoma Statutes as Section 1357.11 of Title 68, unless
28 there is created a duplication in numbering, reads as follows:

29 A. The sale of a handgun, rifle, shotgun or ammunition for any
30 handgun, rifle or shotgun shall be exempt from the tax imposed by
31 Section 1354 of Title 68 of the Oklahoma Statutes if the sale takes
32 place during the deer hunting season established by the Oklahoma
33

1 Wildlife Conservation Commission pursuant to Section 5-401 of Title
2 29 of the Oklahoma Statutes.

3 SECTION 2. AMENDATORY Section 5, Chapter 136, O.S.L.
4 2007 (68 O.S. Supp. 2009, Section 1377), is amended to read as
5 follows:

6 Section 1377. The sales tax imposed by any county or authority
7 authorized by law to levy a sales tax shall not be imposed upon the
8 sale of an article of clothing or footwear designed to be worn on or
9 about the human body in accordance with and to the extent set forth
10 in Section ~~3 of this act~~ 1357.10 of this title or the sale of any
11 handgun, rifle, shotgun or ammunition for any handgun, rifle or
12 shotgun in accordance with and to the extent set forth in Section 1
13 of this act.

14 SECTION 3. AMENDATORY 68 O.S. 2001, Section 2701, as
15 last amended by Section 6, Chapter 136, O.S.L. 2007 (68 O.S. Supp.
16 2009, Section 2701), is amended to read as follows:

17 Section 2701. A. Any incorporated city or town in this state
18 is hereby authorized to assess, levy, and collect taxes for general
19 and special purposes of municipal government as the Legislature may
20 levy and collect for purposes of state government, subject to the
21 provisions of subsection F of this section, except ad valorem
22 property taxes. Provided:

23 1. Taxes shall be uniform upon the same class subjects, and any
24 tax, charge, or fee levied upon or measured by income or receipts

1 from the sale of products or services shall be uniform upon all
2 classes of taxpayers;

3 2. Motor vehicles may be taxed by the city or town only when
4 such vehicles are primarily used or located in such city or town for
5 a period of time longer than six (6) months of a taxable year;

6 3. The provisions of this section shall not be construed to
7 authorize imposition of any tax upon persons, firms, or corporations
8 exempted from other taxation under the provisions of Sections 348.1,
9 624 and 321 of Title 36 of the Oklahoma Statutes, by reason of
10 payment of taxes imposed under such sections;

11 4. Cooperatives and communications companies are hereby
12 authorized to pass on to their subscribers in the incorporated city
13 or town involved, the amount of any special municipal fee, charge or
14 tax hereafter assessed or levied on or collected from such
15 cooperatives or communications companies;

16 5. No earnings, payroll or income taxes may be levied on
17 nonresidents of the cities or towns levying such tax;

18 6. The governing body of any city or town shall be prohibited
19 from proposing taxing ordinances more often than three times in any
20 calendar year, or twice in any six-month period; and

21 7. Any revenues derived from a tax authorized by this
22 subsection not dedicated to a limited purpose shall be deposited in
23 the municipal general fund.

24

1 B. A sales tax authorized in subsection A of this section may
2 be levied for limited purposes specified in the ordinance levying
3 the tax. Such ordinance shall be submitted to the voters for
4 approval as provided in Section 2705 of this title. Any sales tax
5 levied or any change in the rate of a sales tax levied pursuant to
6 the provisions of this section shall become effective on the first
7 day of the calendar quarter following approval by the voters of the
8 city or town unless another effective date, which shall also be on
9 the first day of a calendar quarter, is specified in the ordinance
10 levying the sales tax or changing the rate of sales tax. Such
11 ordinance shall describe with specificity the projects or
12 expenditures for which the limited-purpose tax levy would be made.
13 The municipal governing body shall create a limited-purpose fund and
14 deposit therein any revenue generated by any tax levied pursuant to
15 this subsection. Money in the fund shall be accumulated from year
16 to year. The fund shall be placed in an insured interest-bearing
17 account and the interest which accrues on the fund shall be retained
18 in the fund. The fund shall be nonfiscal and shall not be
19 considered in computing any levy when the municipality makes its
20 estimate to the excise board for needed appropriations. Money in
21 the limited-purpose tax fund shall be expended only as accumulated
22 and only for the purposes specifically described in the taxing
23 ordinance as approved by the voters.

24

1 C. The Oklahoma Tax Commission shall give notice to all vendors
2 of a rate change at least sixty (60) days prior to the effective
3 date of the rate change. Provided, for purchases from printed
4 catalogs wherein the purchaser computed the tax based upon local tax
5 rates published in the catalog, the rate change shall not be
6 effective until the first day of a calendar quarter after a minimum
7 of one hundred twenty (120) days' notice to vendors. Failure to
8 give notice as required by this section shall delay the effective
9 date of the rate change to the first day of the next calendar
10 quarter.

11 D. The change in the boundary of a municipality shall be
12 effective, for sales and use tax purposes only, on the first day of
13 a calendar quarter after a minimum of sixty (60) days' notice to
14 vendors.

15 E. If the proceeds of any sales tax levied by a municipality
16 pursuant to subsection B of this section are being used by the
17 municipality for the purpose of retiring indebtedness incurred by
18 the municipality or by a public trust of which the municipality is a
19 beneficiary for the specific purpose for which the sales tax was
20 imposed, the sales tax shall not be repealed until such time as the
21 indebtedness is retired. However, in no event shall the life of the
22 tax be extended beyond the duration approved by the voters of the
23 municipality. The provisions of this subsection shall apply to all
24 sales tax levies imposed by a municipality and being used by the

1 municipality for the purposes set forth in this subsection prior to
2 or after July 1, 1995.

3 F. The sale of an article of clothing or footwear designed to
4 be worn on or about the human body shall be exempt from the sales
5 tax imposed by any incorporated city or town, in accordance with and
6 to the extent set forth in Section ~~3 of this act~~ 1357.10 of this
7 title and the sale of any handgun, rifle, shotgun or ammunition for
8 any handgun, rifle or shotgun in accordance with and to the extent
9 set forth in Section 1 of this act.

10 SECTION 4. This act shall become effective November 1, 2010.

11
12 52-2-2353 JCR 2/3/2010 6:41:53 PM

13
14
15
16
17
18
19
20
21
22
23
24