

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 53rd Legislature (2011)

4 COMMITTEE SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 757

By: Schulz, Russell, Bass and
Garrison of the Senate

and

Ortega and Cox of the House

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10 COMMITTEE SUBSTITUTE

11 An Act relating to revenue and taxation; amending 68
12 O.S. 2001, Section 1503, as last amended by Section
13 17, Chapter 412, O.S.L. 2010 (68 O.S. Supp. 2010,
14 Section 1503), which relates to coin-operated
15 devices; reducing amount of certain fees; providing
16 an effective date; and declaring an emergency.

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

18 SECTION 1. AMENDATORY 68 O.S. 2001, Section 1503, as
19 amended by Section 17, Chapter 412, O.S.L. 2010 (68 O.S. Supp. 2010,
20 Section 1503), is amended to read as follows:

21 Section 1503. A. Every person who owns and has available to
22 any of the public for operation, or who permits to be operated in or
23 on his or her place of business, coin-operated devices shall pay for

1 such privilege an annual fee. A fee shall be required for each
2 machine, regardless of the number of coin slots, if the machine,
3 upon insertion of a coin, token or similar object, provides music,
4 amusement or entertainment or dispenses one or more products
5 separate and apart from any other provider of music, amusement or
6 entertainment or dispenser of one or more products. The test to
7 determine whether the machine can operate separate and apart from
8 any other shall be whether the provider or dispenser can still
9 function if separated from the others to which it is attached. When
10 multiple machines are placed on a single stand, a decal shall be
11 required for each machine as provided in Section 1501 et seq. of
12 this title. The annual fee required shall be as follows:

13 1. For each coin-operated music device or coin-operated
14 amusement device, ~~One Hundred Fifty Dollars (\$150.00)~~ Seventy-five
15 Dollars (\$75.00);

16 2. For each coin-operated vending device requiring a coin or
17 thing of value of twenty-five cents (\$0.25) or more, ~~One Hundred~~
18 ~~Fifty Dollars (\$150.00)~~ Seventy-five Dollars (\$75.00);

19 3. For each coin-operated vending device requiring a coin or
20 thing of value of less than twenty-five cents (\$0.25), Ten Dollars
21 (\$10.00);

22 4. For each coin-operated bulk vending device which vends one
23 or more products through a single distribution mechanism requiring a
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1 coin or thing of value of twenty-five cents (\$0.25) or more, Five
2 Dollars (\$5.00);

3 5. For each coin-operated bulk vending device which vends one
4 or more products through more than one but not more than five
5 distribution mechanisms, requiring a coin or thing of value of
6 twenty-five cents (\$0.25) or more, Fifteen Dollars (\$15.00). For
7 each coin-operated bulk vending device which vends one or more
8 products through six or more distribution mechanisms, the
9 appropriate number of fifteen-dollar decals will be required. The
10 number of decals required shall be determined by dividing the number
11 of distribution mechanisms by five and rounding to the next highest
12 whole number; and

13 6. For each coin-operated bulk vending device requiring a coin
14 or thing of value less than twenty-five cents (\$0.25), Two Dollars
15 (\$2.00).

16 B. The annual fee required by this section shall be in lieu of
17 sales tax levied pursuant to Sections 1350 through 1372 of this
18 title.

19 C. In those instances where it is shown to the satisfaction of
20 the Tax Commission that a coin-operated device, upon which an annual
21 fee is imposed, will be placed available for use by the public for a
22 definite but limited period of time less than one (1) year, such as
23 where displayed in connection with fairs, carnivals, and places of
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1 amusement that operate only during certain seasons of the year, the
2 Commission may issue a special decal therefor. Such special decal
3 may be issued for any number of calendar months less than a full
4 year, and shall indicate that it is a special decal; and shall be
5 for one or more calendar months and shall state the precise months
6 for which issued and shall not be transferred from one machine to
7 another. The fee shall be computed and paid on the basis of one-
8 tenth (1/10) of the annual rate for the type of device operated, for
9 each calendar month for which such special decal is issued. In the
10 event the mechanical device is made available to the public for a
11 period beyond that for which the special decal is issued, then a
12 full year's fee and penalty, as set out in Section 1506 of this
13 title, shall be due.

14 SECTION 2. This act shall become effective July 1, 2011.

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

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20 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
21 04-14-2011 - DO PASS, As Amended and Coauthored.
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