

1 STATE OF OKLAHOMA

2 1st Session of the 53rd Legislature (2011)

3 HOUSE BILL 1261

By: Roussetot

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5
6 AS INTRODUCED

7 An Act relating to charity game equipment; amending
8 3A O.S. 2001, Section 421, as last amended by Section
9 1, Chapter 203, O.S.L. 2007 (3A O.S. Supp. 2010,
10 Section 421), which relates to taxes on charity game
11 equipment; exempting certain organizations from tax;
12 amending 68 O.S. 2001, Section 1355, as last amended
13 by Section 10, Chapter 302, O.S.L. 2008 (68 O.S.
14 Supp. 2010, Section 1355), which relates to sales
15 tax; exempting charity game equipment purchases by
16 certain organizations; providing an effective date;
17 and declaring an emergency.

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

19 SECTION 1. AMENDATORY 3A O.S. 2001, Section 421, as last
20 amended by Section 1, Chapter 203, O.S.L. 2007 (3A O.S. Supp. 2010,
21 Section 421), is amended to read as follows:

22 Section 421. A. Except as provided in subsection D of this
23 section, there is hereby levied a tax in the amount of one cent
24 (\$0.01) upon each bingo face and each U-PIK-EM bingo game set sold
in this state to be paid by the distributor.

B. Except as provided in subsection D of this section, there is
hereby levied upon each breakopen ticket game sold in this state a

1 tax in the amount of ten percent (10%) on the gross receipts of the
2 retail sales value to be paid by the distributor. For purposes of
3 this subsection, "gross receipts of the retail sales value" means
4 the stated retail per breakopen ticket price multiplied by the
5 number of tickets in each packaging container of breakopen tickets.

6 C. Except as provided in subsection D of this section, there is
7 hereby levied upon all charity game equipment except bingo faces, U-
8 PIK-EM bingo game sets, and breakopen ticket games a tax in the
9 amount of ten percent (10%) of the price paid for such equipment as
10 shown on the purchase invoice.

11 D. There shall be no tax levied on any item provided for in
12 this section if the item is sold to an organization that is:

13 1. A veterans' organization exempt from taxation pursuant to
14 the provisions of paragraph (4), (7), (8), (10) or (19) of
15 subsection (c) of Section 501 of the United States Internal Revenue
16 Code of 1986, as amended, 26 U.S.C., Section 501(c) et seq.; ~~or~~

17 2. A group home for mentally disabled individuals exempt from
18 taxation pursuant to the provisions of paragraph (3) of subsection
19 (c) of Section 501 of the United States Internal Revenue Code of
20 1986, as amended, 26 U.S.C., Section 501(c) et seq.; or

21 3. A fraternal organization operating under a lodge system that
22 is exempt from taxation pursuant to the provisions of paragraph (10)
23 of subsection (c) of Section 501 of the United States Internal
24 Revenue Code of 1986, as amended, 26 U.S.C., Section 501(c) et seq.

1 SECTION 2. AMENDATORY 68 O.S. 2001, Section 1355, as
2 last amended by Section 10, Chapter 302, O.S.L. 2008 (68 O.S. Supp.
3 2010, Section 1355), is amended to read as follows:

4 Section 1355. There are hereby specifically exempted from the
5 tax levied pursuant to the provisions of Section 1350 et seq. of
6 this title:

7 1. Sale of gasoline, motor fuel, methanol, "M-85" which is a
8 mixture of methanol and gasoline containing at least eighty-five
9 percent (85%) methanol, compressed natural gas, liquefied natural
10 gas, or liquefied petroleum gas on which the Motor Fuel Tax,
11 Gasoline Excise Tax, Special Fuels Tax or the fee in lieu of Special
12 Fuels Tax levied in Section 500.1 et seq., Section 601 et seq. or
13 Section 701 et seq. of this title has been, or will be paid;

14 2. Sale of motor vehicles or any optional equipment or
15 accessories attached to motor vehicles on which the Oklahoma Motor
16 Vehicle Excise Tax levied in Section 2101 et seq. of this title has
17 been, or will be paid;

18 3. Sale of crude petroleum or natural or casinghead gas and
19 other products subject to gross production tax pursuant to the
20 provisions of Section 1001 et seq. and Section 1101 et seq. of this
21 title. This exemption shall not apply when such products are sold
22 to a consumer or user for consumption or use, except when used for
23 injection into the earth for the purpose of promoting or
24 facilitating the production of oil or gas. This paragraph shall not

1 operate to increase or repeal the gross production tax levied by the
2 laws of this state;

3 4. Sale of aircraft on which the tax levied pursuant to the
4 provisions of Sections 6001 through 6007 of this title has been, or
5 will be paid or which are specifically exempt from such tax pursuant
6 to the provisions of Section 6003 of this title;

7 5. Sales from coin-operated devices on which the fee imposed by
8 Sections 1501 through 1512 of this title has been paid;

9 6. Leases of twelve (12) months or more of motor vehicles in
10 which the owners of the vehicles have paid the vehicle excise tax
11 levied by Section 2103 of this title;

12 7. Sales of charity game equipment on which a tax is levied
13 pursuant to the Oklahoma Charity Games Act, Section 401 et seq. of
14 Title 3A of the Oklahoma Statutes, or which is sold to an
15 organization that is:

16 a. a veterans' organization exempt from taxation pursuant
17 to the provisions of paragraph (4), (7), (8), (10) or
18 (19) of subsection (c) of Section 501 of the United
19 States Internal Revenue Code of 1986, as amended, 26
20 U.S.C., Section 501(c) et seq., ~~or~~

21 b. a group home for mentally disabled individuals exempt
22 from taxation pursuant to the provisions of paragraph
23 (3) of subsection (c) of Section 501 of the United
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1 States Internal Revenue Code of 1986, as amended, 26
2 U.S.C., Section 501(c) et seq., or

3 c. a fraternal organization operating under a lodge
4 system that is exempt from taxation pursuant to the
5 provisions of paragraph (10) of subsection (c) of
6 Section 501 of the United States Internal Revenue Code
7 of 1986, as amended, 26 U.S.C., Section 501(c) et
8 seq.;

9 8. Sales of cigarettes or tobacco products to:

10 a. a federally recognized Indian tribe or nation which
11 has entered into a compact with the State of Oklahoma
12 pursuant to the provisions of subsection C of Section
13 346 of this title or to a licensee of such a tribe or
14 nation, upon which the payment in lieu of taxes
15 required by the compact has been paid, or

16 b. a federally recognized Indian tribe or nation or to a
17 licensee of such a tribe or nation upon which the tax
18 levied pursuant to the provisions of Section 349 or
19 Section 426 of this title has been paid;

20 9. Leases of aircraft upon which the owners have paid the
21 aircraft excise tax levied by Section 6001 et seq. of this title or
22 which are specifically exempt from such tax pursuant to the
23 provisions of Section 6003 of this title;

1 10. The sale of low-speed or medium speed electrical vehicles on
2 which the Oklahoma Motor Vehicle Excise Tax levied in Section 2101
3 et seq. of this title has been or will be paid; and

4 11. Effective January 1, 2005, sales of cigarettes on which the
5 tax levied in Section 301 et seq. of this title or tobacco products
6 on which the tax levied in Section 401 et seq. of this title has
7 been paid.

8 SECTION 3. This act shall become effective July 1, 2011.

9 SECTION 4. It being immediately necessary for the preservation
10 of the public peace, health and safety, an emergency is hereby
11 declared to exist, by reason whereof this act shall take effect and
12 be in full force from and after its passage and approval.

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