

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 SENATE BILL 1468

By: Sparks

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5
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68
8 O.S. 2011, Section 1004, which relates to
9 apportionment of gross production tax; deleting
10 obsolete language; and providing an effective date.

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

12 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1004, is
13 amended to read as follows:

14 Section 1004. A. ~~Beginning July 1, 2002, the~~ The gross
15 production tax provided for in Section 1001 of this title is hereby
16 levied and shall be collected and apportioned as follows:

17 1. For all monies collected from the tax levied on asphalt or
18 ores bearing uranium, lead, zinc, jack, gold, silver or copper:

- 19 a. eighty-five and seventy-two one-hundredths percent
20 (85.72%) shall be paid to the State Treasurer of the
21 state to be placed in the General Revenue Fund of the
22 state and used for the general expense of state
23 government, to be paid out pursuant to direct
24 appropriation by the Legislature,

1 b. seven and fourteen one-hundredths percent (7.14%) of
2 the sum collected from natural gas and/or casinghead
3 gas or asphalt or ores bearing uranium, lead, zinc,
4 jack, gold, silver or copper shall be paid to the
5 various county treasurers to be credited to the County
6 Highway Fund as follows: Each county shall receive a
7 proportionate share of the funds available based upon
8 the proportion of the total value of production from
9 such county in the corresponding month of the
10 preceding year, and

11 c. seven and fourteen one-hundredths percent (7.14%)
12 shall be allocated to each county as provided for in
13 subparagraph b of this paragraph and shall be
14 apportioned, on an average daily attendance per capita
15 distribution basis, as certified by the State
16 Superintendent of Public Instruction to the school
17 districts of the county where such pupils attend
18 school regardless of residence of such pupil, provided
19 the school district makes an ad valorem tax levy of
20 fifteen (15) mills for the current year and maintains
21 twelve (12) years of instruction;

22 2. For all monies collected from the tax levied on natural gas
23 and/or casinghead gas at a tax rate of seven percent (7%) pursuant
24 to the provisions of subsection B of Section 1001 of this title:

1 a. eighty-five and seventy-two one-hundredths percent
2 (85.72%) shall be paid to the State Treasurer of the
3 state to be placed in the General Revenue Fund of the
4 state and used for the general expense of state
5 government, to be paid out pursuant to direct
6 appropriation by the Legislature,

7 b. seven and fourteen one-hundredths percent (7.14%) of
8 the sum collected from natural gas and/or casinghead
9 gas shall be paid to the various county treasurers to
10 be credited to the County Highway Fund as follows:
11 Each county shall receive a proportionate share of the
12 funds available based upon the proportion of the total
13 value of production from such county in the
14 corresponding month of the preceding year, and

15 c. seven and fourteen one-hundredths percent (7.14%)
16 shall be allocated to each county as provided for in
17 subparagraph b of this paragraph and shall be
18 apportioned, on an average daily attendance per capita
19 distribution basis, as certified by the State
20 Superintendent of Public Instruction to the school
21 districts of the county where such pupils attend
22 school regardless of residence of such pupil, provided
23 the school district makes an ad valorem tax levy of
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1 fifteen (15) mills for the current year and maintains
2 twelve (12) years of instruction;

3 3. For all monies collected from the tax levied on natural gas
4 and/or casinghead gas at a tax rate of four percent (4%) pursuant to
5 the provisions of subsection B of Section 1001 of this title:

6 a. seventy-five percent (75%) shall be paid to the State
7 Treasurer of the state to be placed in the General
8 Revenue Fund of the state and used for the general
9 expense of state government, to be paid out pursuant
10 to direct appropriation by the Legislature,

11 b. twelve and one-half percent (12.5%) of the sum
12 collected from natural gas and/or casinghead gas shall
13 be paid to the various county treasurers to be
14 credited to the County Highway Fund as follows: Each
15 county shall receive a proportionate share of the
16 funds available based upon the proportion of the total
17 value of production from such county in the
18 corresponding month of the preceding year, and

19 c. twelve and one-half percent (12.5%) shall be allocated
20 to each county as provided for in subparagraph b of
21 this paragraph and shall be apportioned, on an average
22 daily attendance per capita distribution basis, as
23 certified by the State Superintendent of Public
24 Instruction to the school districts of the county

1 where such pupils attend school regardless of
2 residence of such pupil, provided the school district
3 makes an ad valorem tax levy of fifteen (15) mills for
4 the current year and maintains twelve (12) years of
5 instruction;

6 4. For all monies collected from the tax levied on natural gas
7 and/or casinghead gas at a tax rate of one percent (1%) pursuant to
8 the provisions of subsection B of Section 1001 of this title:

9 a. fifty percent (50%) of the sum collected from natural
10 gas and/or casinghead gas shall be paid to the various
11 county treasurers to be credited to the County Highway
12 Fund as follows: Each county shall receive a
13 proportionate share of the funds available based upon
14 the proportion of the total value of production from
15 such county in the corresponding month of the
16 preceding year, and

17 b. fifty percent (50%) shall be allocated to each county
18 as provided for in subparagraph a of this paragraph
19 and shall be apportioned, on an average daily
20 attendance per capita distribution basis, as certified
21 by the State Superintendent of Public Instruction to
22 the school districts of the county where such pupils
23 attend school regardless of residence of such pupil,
24 provided the school district makes an ad valorem tax

1 levy of fifteen (15) mills for the current year and
2 maintains twelve (12) years of instruction;

3 5. For all monies collected from the tax levied on oil at a tax
4 rate of seven percent (7%) pursuant to the provisions of subsection
5 B of Section 1001 of this title:

6 a. twenty-five and seventy-two one-hundredths percent
7 (25.72%) shall be paid to the State Treasurer to be
8 placed in the Common Education Technology Revolving
9 Fund created in Section ~~41.29e~~ 34.90 of Title 62 of
10 the Oklahoma Statutes,

11 b. twenty-five and seventy-two one-hundredths percent
12 (25.72%) shall be paid to the State Treasurer to be
13 placed in the Higher Education Capital Revolving Fund
14 created in Section ~~41.29d~~ 34.91 of Title 62 of the
15 Oklahoma Statutes,

16 c. twenty-five and seventy-two one-hundredths percent
17 (25.72%) shall be paid to the State Treasurer to be
18 placed in the Oklahoma Tuition Scholarship Revolving
19 Fund created in Section ~~41.29e~~ 34.92 of Title 62 of
20 the Oklahoma Statutes,

21 d. three and seven hundred forty-five one-thousandths
22 percent (3.745%) shall be distributed to the various
23 counties of the state for deposit into the County
24 Bridge and Road Improvement Fund of each county based

1 on a formula developed by the Department of
2 Transportation and approved by the Department of
3 Transportation County Advisory Board created pursuant
4 to Section 302.1 of Title 69 of the Oklahoma Statutes
5 to be used for the purposes set forth in the County
6 Bridge and Road Improvement Act. The formula shall be
7 similar to the formula currently used for the
8 distribution of monies in the County Bridge Program
9 funds, but shall also take into consideration the
10 effect of the terrain and traffic volume as related to
11 county road improvement and maintenance costs,

12 e. four and twenty-eight one-hundredths percent (4.28%)
13 shall be paid to the State Treasurer to be apportioned
14 to:

15 (1) the following sources and in the following
16 amounts through the fiscal year ending June 30,
17 2014:

18 (a) thirty-three and one-third percent (33 1/3%)
19 to the Oklahoma Tourism and Recreation
20 Department Capital Expenditure Revolving
21 Fund created pursuant to Section 2254.1 of
22 Title 74 of the Oklahoma Statutes,

23 (b) thirty-three and one-third percent (33 1/3%)
24 to the Oklahoma Conservation Commission

1 Infrastructure Revolving Fund created
2 pursuant to Section 3-2-110 of Title 27A of
3 the Oklahoma Statutes, and

4 (c) thirty-three and one-third percent (33 1/3%)
5 to the Community Water Infrastructure
6 Development Revolving Fund created pursuant
7 to Section 1085.7A of Title 82 of the
8 Oklahoma Statutes, and

9 (2) the Oklahoma Water Resources Board Rural Economic
10 Action Plan Water Projects Fund for the fiscal
11 year ending June 30, 2014, and for each fiscal
12 year thereafter,

13 f. seven and fourteen one-hundredths percent (7.14%) of
14 the sum collected from oil shall be paid to the
15 various county treasurers, to be credited to the
16 County Highway Fund as follows: Each county shall
17 receive a proportionate share of the funds available
18 based upon the proportion of the total value of
19 production from such county in the corresponding month
20 of the preceding year,

21 g. seven and fourteen one-hundredths percent (7.14%)
22 shall be allocated to each county as provided in
23 subparagraph f of this paragraph and shall be
24 apportioned, on an average daily attendance per capita

1 distribution basis, as certified by the State
2 Superintendent of Public Instruction, to the school
3 districts of the county where such pupils attend
4 school regardless of residence of such pupil, provided
5 the school district makes an ad valorem tax levy of
6 fifteen (15) mills for the current year and maintains
7 twelve (12) years of instruction, and

- 8 h. five hundred thirty-five one-thousandths percent
9 (0.535%) of the levy shall be transmitted by the
10 Oklahoma Tax Commission to the Statewide Circuit
11 Engineering District Revolving Fund as created in
12 Section 687.2 of Title 69 of the Oklahoma Statutes;

13 6. For all monies collected from the tax levied on oil at a tax
14 rate of four percent (4%) pursuant to the provisions of subsection B
15 of Section 1001 of this title:

- 16 a. twenty-two and one-half percent (22.5%) shall be paid
17 to the State Treasurer to be placed in the Common
18 Education Technology Revolving Fund created in Section
19 ~~41.29e~~ 34.90 of Title 62 of the Oklahoma Statutes,
20 b. twenty-two and one-half percent (22.5%) shall be paid
21 to the State Treasurer to be placed in the Higher
22 Education Capital Revolving Fund created in Section
23 ~~41.29d~~ 34.91 of Title 62 of the Oklahoma Statutes,
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1 c. twenty-two and one-half percent (22.5%) shall be paid
2 to the State Treasurer to be placed in the Oklahoma
3 Tuition Scholarship Revolving Fund created in Section
4 ~~41.29e~~ 34.92 of Title 62 of the Oklahoma Statutes,

5 d. three and twenty-eight one-hundredths percent (3.28%)
6 shall be distributed to the various counties of the
7 state for deposit into the County Bridge and Road
8 Improvement Fund of each county based on a formula
9 developed by the Department of Transportation and
10 approved by the Department of Transportation County
11 Advisory Board created pursuant to Section 302.1 of
12 Title 69 of the Oklahoma Statutes to be used for the
13 purposes set forth in the County Bridge and Road
14 Improvement Act. The formula shall be similar to the
15 formula currently used for the distribution of monies
16 in the County Bridge Program funds, but shall also
17 take into consideration the effect of the terrain and
18 traffic volume as related to county road improvement
19 and maintenance costs,

20 e. three and seventy-five one-hundredths percent (3.75%)
21 shall be paid to the State Treasurer to be apportioned
22 to:
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1 (1) the following sources and in the following
2 amounts through the fiscal year ending June 30,
3 2014:

4 (a) thirty-three and one-third percent (33 1/3%)
5 to the Oklahoma Tourism and Recreation
6 Department Capital Expenditure Revolving
7 Fund created pursuant to Section 2254.1 of
8 Title 74 of the Oklahoma Statutes,

9 (b) thirty-three and one-third percent (33 1/3%)
10 to the Oklahoma Conservation Commission
11 Infrastructure Revolving Fund created
12 pursuant to Section 3-2-110 of Title 27A of
13 the Oklahoma Statutes, and

14 (c) thirty-three and one-third percent (33 1/3%)
15 to the Community Water Infrastructure
16 Development Revolving Fund created pursuant
17 to Section 1085.7A of Title 82 of the
18 Oklahoma Statutes, and

19 (2) the Oklahoma Water Resources Board Rural Economic
20 Action Plan Water Projects Fund for the fiscal
21 year ending June 30, 2014, and for each fiscal
22 year thereafter,

23 f. twelve and one-half percent (12.5%) of the sum
24 collected from oil shall be paid to the various county

1 treasurers, to be credited to the County Highway Fund
2 as follows: Each county shall receive a proportionate
3 share of the funds available based upon the proportion
4 of the total value of production from such county in
5 the corresponding month of the preceding year,

6 g. twelve and one-half percent (12.5%) shall be allocated
7 to each county as provided in subparagraph f of this
8 paragraph and shall be apportioned on an average daily
9 attendance per capita distribution basis, as certified
10 by the State Superintendent of Public Instruction, to
11 the school districts of the county where such pupils
12 attend school regardless of residence of such pupil,
13 provided the school district makes an ad valorem tax
14 levy of fifteen (15) mills for the current year and
15 maintains twelve (12) years of instruction, and

16 h. forty-seven one-hundredths percent (0.47%) of the levy
17 shall be transmitted by the Tax Commission to the
18 Statewide Circuit Engineering District Revolving Fund
19 as created in Section 687.2 of Title 69 of the
20 Oklahoma Statutes;

21 7. For all monies collected from the tax levied on oil at a tax
22 rate of one percent (1%) pursuant to the provisions of subsection B
23 of Section 1001 of this title:

- 1 a. fifty percent (50%) of the sum collected shall be paid
2 to the various county treasurers, to be credited to
3 the County Highway Fund as follows: Each county shall
4 receive a proportionate share of the funds available
5 based upon the proportion of the total value of
6 production from such county in the corresponding month
7 of the preceding year, and
- 8 b. fifty percent (50%) shall be allocated to each county
9 as provided for in subparagraph a of this paragraph
10 and shall be apportioned on an average daily
11 attendance per capita distribution basis, as certified
12 by the State Superintendent of Public Instruction, to
13 the school districts of the county where such pupils
14 attend school regardless of residence of such pupil,
15 provided the school district makes an ad valorem tax
16 levy of fifteen (15) mills for the current year and
17 maintains twelve (12) years of instruction.

18 B. Provided, notwithstanding any other provision of this
19 section, the total amounts deposited to the Common Education
20 Technology Revolving Fund, the Higher Education Capital Revolving
21 Fund, the Oklahoma Tuition Scholarship Revolving Fund, the Rural
22 Economic Action Plan Water Projects Fund, the Oklahoma Tourism and
23 Recreation Department Capital Expenditure Revolving Fund, the
24 Oklahoma Conservation Commission Infrastructure Revolving Fund and

1 the Community Water Infrastructure Development Revolving Fund
2 pursuant to paragraphs 5 and 6 of subsection A of this section shall
3 not exceed One Hundred Fifty Million Dollars (\$150,000,000.00) in
4 any fiscal year. Except as otherwise provided in this subsection,
5 all sums in excess of One Hundred Fifty Million Dollars
6 (\$150,000,000.00) in any fiscal year which would otherwise be
7 deposited in such funds shall be placed by the State Treasurer in
8 the General Revenue Fund of the state. Amounts which would
9 otherwise be placed by the State Treasurer in the General Revenue
10 Fund for the fiscal year ending on June 30, 2011, pursuant to this
11 subsection, shall be deposited or transferred by the State Treasurer
12 as follows:

13 1. Ten Million Dollars (\$10,000,000.00) to the Ad Valorem
14 Reimbursement Fund created pursuant to Section 193 of Title 62 of
15 the Oklahoma Statutes for the purpose of reimbursing counties for
16 school districts that claim a loss of revenue due to a tax exemption
17 granted pursuant to the provisions of Section 6B of Article X of the
18 Oklahoma Constitution; and

19 2. Ten Million Dollars (\$10,000,000.00) to the Oklahoma State
20 Regents for Higher Education Revolving Fund for the purposes of the
21 education and general operating budgets of the institutions and for
22 other programs, construction, renovations or repairs administered by
23 the Oklahoma State Regents for Higher Education;

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3. One Million Four Hundred Thousand Dollars (\$1,400,000.00) to the State Career-Technology Fund; and

4. All funds except those deposited pursuant to paragraphs 1, 2 and 3 of this subsection to the General Revenue Fund of the state.

SECTION 2. This act shall become effective November 1, 2012.

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