

1 STATE OF OKLAHOMA

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

3 SENATE BILL 833

By: Russell

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5  
6 AS INTRODUCED

7 An Act relating to fee in lieu of sales tax; amending  
8 68 O.S. 2001, Section 1503, as amended by Section 17,  
9 Chapter 412, O.S.L. 2010 (68 O.S. Supp. 2010, Section  
10 1503), which relates to fees in lieu of sales tax on  
11 certain coin-operated vending devices; reducing  
12 annual fee for operating certain devices; providing  
13 an effective date; and declaring an emergency.

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

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

18 Section 1503. A. Every person who owns and has available to  
19 any of the public for operation, or who permits to be operated in or  
20 on his place of business, coin-operated devices shall pay for such  
21 privilege an annual fee. A fee shall be required for each machine,  
22 regardless of the number of coin slots, if the machine, upon  
23 insertion of a coin, token or similar object, provides music,  
24 amusement or entertainment or dispenses one or more products  
separate and apart from any other provider of music, amusement or

1 entertainment or dispenser of one or more products. The test to  
2 determine whether the machine can operate separate and apart from  
3 any other shall be whether the provider or dispenser can still  
4 function if separated from the others to which it is attached. When  
5 multiple machines are placed on a single stand, a decal shall be  
6 required for each machine as provided in Section 1501 et seq. of  
7 this title. The annual fee required shall be as follows:

8 1. For each coin-operated music device or coin-operated  
9 amusement device, ~~One Hundred Fifty Dollars (\$150.00)~~ Fifty Dollars  
10 (\$50.00);

11 2. For each coin-operated vending device requiring a coin or  
12 thing of value of twenty-five cents (\$0.25) or more, ~~One Hundred~~  
13 ~~Fifty Dollars (\$150.00)~~ Fifty Dollars (\$50.00);

14 3. For each coin-operated vending device requiring a coin or  
15 thing of value of less than twenty-five cents (\$0.25), Ten Dollars  
16 (\$10.00);

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

21 5. For each coin-operated bulk vending device which vends one  
22 or more products through more than one but not more than five  
23 distribution mechanisms, requiring a coin or thing of value of  
24 twenty-five cents (\$0.25) or more, Fifteen Dollars (\$15.00). For

1 each coin-operated bulk vending device which vends one or more  
2 products through six or more distribution mechanisms, the  
3 appropriate number of fifteen-dollar decals will be required. The  
4 number of decals required shall be determined by dividing the number  
5 of distribution mechanisms by five and rounding to the next highest  
6 whole number; and

7 6. For each coin-operated bulk vending device requiring a coin  
8 or thing of value less than twenty-five cents (\$0.25), Two Dollars  
9 (\$2.00).

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

13 C. In those instances where it is shown to the satisfaction of  
14 the Tax Commission that a coin-operated device, upon which an annual  
15 fee is imposed, will be placed available for use by the public for a  
16 definite but limited period of time less than one (1) year, such as  
17 where displayed in connection with fairs, carnivals, and places of  
18 amusement that operate only during certain seasons of the year, the  
19 Commission may issue a special decal therefor. Such special decal  
20 may be issued for any number of calendar months less than a full  
21 year, and shall indicate that it is a special decal; and shall be  
22 for one or more calendar months and shall state the precise months  
23 for which issued and shall not be transferred from one machine to  
24 another. The fee shall be computed and paid on the basis of one-

1 tenth (1/10) of the annual rate for the type of device operated, for  
2 each calendar month for which such special decal is issued. In the  
3 event the mechanical device is made available to the public for a  
4 period beyond that for which the special decal is issued, then a  
5 full year's fee and penalty, as set out in Section 1506 of this  
6 title, shall be due.

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

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

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