

1 **SENATE FLOOR VERSION**

2 February 13, 2013

3 **AS AMENDED**

4 SENATE BILL NO. 648

5 By: Schulz of the Senate

6 and

7 Wright of the House

8 [income tax - modifying apportionment of revenue
9 under certain circumstances - effective date -
10 emergency]

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

13 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2352, as
14 amended by Section 543, Chapter 304, O.S.L. 2012 (68 O.S. Supp.
15 2012, Section 2352), is amended to read as follows:

16 Section 2352. A. It is hereby declared to be the purpose of
17 ~~Section 2351 et seq. of this title~~ the Oklahoma Income Tax Act to
18 provide revenue for general governmental functions of state
19 government; and, for that purpose and to that end, it is expressly
20 declared that the revenue derived herefrom and penalties and
21 interest thereon, subject to the apportionment requirements for the
22 Rebuilding Oklahoma Access and Driver Safety Fund, the Oklahoma
23 Tourism and Passenger Rail Revolving Fund and the Public Transit
24 Revolving Fund to be derived from income tax revenue that would

1 otherwise be apportioned to the General Revenue Fund as provided by
2 Section 1521 of Title 69 of the Oklahoma Statutes, subject to the
3 apportionment requirements for the Oklahoma Tax Commission and
4 Office of Management and Enterprise Services Joint Computer
5 Enhancement Fund provided by Section 265 of this title, shall be
6 distributed as follows:

7 1. For the fiscal year beginning July 1, 2002, the first Five
8 Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue
9 derived pursuant to the provisions of subsections A, B and E of
10 Section 2355 of this title shall be apportioned to the Education
11 Reform Revolving Fund. The remainder of such revenue for the fiscal
12 year beginning July 1, 2002, and all such revenue for each fiscal
13 year thereafter shall be apportioned monthly as follows:

14 a. (1) the following amounts shall be paid to the State
15 Treasurer to be placed to the credit of the
16 General Revenue Fund of the state for such fiscal
17 year for the support of the state government to
18 be paid out only pursuant to appropriation by the
19 Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	87.12%
FY 2005	86.91%
FY 2006	86.66%
FY 2007	86.16%

1	FY 2003 and FY 2004	3.54%
2	FY 2005	3.75%
3	FY 2006	4.0%
4	FY 2007	4.5%
5	FY 2008 and each fiscal	
6	year thereafter	5.0%

d. ~~for FY 2003 and each fiscal year thereafter~~ through FY 2013, one percent (1%), and for FY 2014 and each fiscal year thereafter a percentage to be determined subject to the provisions of subsection B of this section, shall be placed to the credit of the Ad Valorem Reimbursement Fund;

2. Beginning July 1, 2003, for any period of time as certified by the Oklahoma Development Finance Authority and the Oklahoma Department of Commerce to be necessary for the repayment of obligations issued by the Oklahoma Development Finance Authority pursuant to Section 3654 of this title if the other sources of revenue paid to or apportioned to the Quality Jobs Program Incentive Leverage Fund are not adequate, including the proceeds from payment pursuant to the guaranty required by subsection M of Section 3654 of this title, an amount certified by the Oklahoma Development Finance Authority to the Oklahoma Tax Commission shall be apportioned to the Quality Jobs Program Incentive Leverage Fund before any other apportionments are made as otherwise authorized by this paragraph.

1 The Oklahoma Development Finance Authority shall certify to the
2 Oklahoma Tax Commission the time as of which the revenue authorized
3 for apportionment pursuant to this paragraph is no longer required.
4 After the certification, the revenue derived from the income tax
5 shall be apportioned in the manner otherwise provided by this
6 section. Except as otherwise provided by this paragraph, for the
7 fiscal year beginning July 1, 2002, the first Forty-One Million One
8 Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of
9 revenue derived pursuant to the provisions of subsections C and D of
10 Section 2355 of this title shall be apportioned to the Education
11 Reform Revolving Fund. The remainder of such revenue for the fiscal
12 year beginning July 1, 2002, and all such revenue for each fiscal
13 year thereafter, subject to the apportionment requirements for the
14 Oklahoma Tax Commission and Office of Management and Enterprise
15 Services Joint Computer Enhancement Fund provided by Section 265 of
16 this title, shall be apportioned monthly as follows:

17 a. the following amounts shall be paid to the State
18 Treasurer to be placed to the credit of the General
19 Revenue Fund of the state for such fiscal year for the
20 support of the state government to be paid out only
21 pursuant to appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	78.96%
FY 2005	78.75%

1 FY 2008 and each fiscal
2 year thereafter 5.0%

3 d. ~~for FY 2003 and each fiscal year thereafter~~ through FY
4 2013, one percent (1%), and for FY 2013 and each
5 fiscal year thereafter a percentage to be determined
6 subject to the provisions of subsection C of this
7 section shall be placed to the credit of the Ad
8 Valorem Reimbursement Fund; and

9 3. During the first fiscal year after the State Board of
10 Equalization has made a determination as provided in Section 2355.1B
11 of this title, regarding a baseline amount of revenue apportioned
12 pursuant to subparagraph c of paragraph 1 of this section, and for
13 each fiscal year thereafter, in no event shall monies apportioned
14 pursuant to subparagraph c of paragraph 1 of this section, paragraph
15 3 of Section 1353 of this title and paragraph 3 of Section 1403 of
16 this title be less than such baseline amount.

17 B. Beginning on July 1, 2013, and each July 1 thereafter,
18 following a fiscal year for which total deposits to the Ad Valorem
19 Reimbursement Fund equal less than Thirty Million Dollars
20 (\$30,000,000.00), the monthly apportionment of revenue provided for
21 in division (1) of subparagraph a of paragraph 1 of subsection A of
22 this section shall be reduced from eighty-five and sixty-six one-
23 hundredths percent (85.66%) to eighty-four and sixty-six one-
24 hundredths percent (84.66%) and the monthly apportionment of revenue

1 provided for in subparagraph d of paragraph 1 of subsection A of
2 this section shall be increased from one percent (1%) to two percent
3 (2%), for the current fiscal year.

4 C. Beginning on July 1, 2013, and each July 1 thereafter,
5 following a fiscal year for which total deposits to the Ad Valorem
6 Reimbursement Fund equal less than Thirty Million Dollars
7 (\$30,000,000.00), the monthly apportionment of revenue provided for
8 in subparagraph a of paragraph 2 of subsection A of this section
9 shall be reduced from seventy-seven and fifty one-hundredths percent
10 (77.50%) to seventy-six and fifty one-hundredths percent (76.50%)
11 and the monthly apportionment of revenue provided for in
12 subparagraph d of paragraph 2 of subsection A of this section shall
13 be increased from one percent (1%) to two percent (2%), for the
14 current fiscal year.

15 SECTION 2. This act shall become effective July 1, 2013.

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

20 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
21 February 13, 2013 - DO PASS AS AMENDED
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