

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 HOUSE BILL 1066

By: Hulbert

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5
6 AS INTRODUCED

7 An Act relating to revenue and taxation; ordering a
8 legislative referendum pursuant to the Oklahoma
9 Constitution; providing for levy of tax on
10 cigarettes; providing for apportionment of funds;
11 providing for collection and administration of tax;
12 providing ballot title; and directing filing.

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

14 SECTION 1. Pursuant to Section 3 of Article V of the Oklahoma
15 Constitution, there is hereby ordered the following legislative
16 referendum which shall be filed with the Secretary of State and
17 addressed to the Governor of the state, who shall submit the same to
18 the people for their approval or rejection at the next General
19 Election.

20 SECTION 2. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 302-7 of Title 68, unless there
22 is created a duplication in numbering, reads as follows:

23 A. Effective January 1, 2015, in addition to the tax levied in
24 Sections 302, 302-1, 302-2, 302-3, 302-4 and 302-5 of Title 68 of

1 the Oklahoma Statutes, there is hereby levied upon the sale, use,
2 gift, possession, or consumption of cigarettes, as defined in
3 Sections 301 through 325 of Title 68 of the Oklahoma Statutes,
4 within this state, a tax at the rate of five (5) mills per
5 cigarette.

6 B. The revenue resulting from the additional tax levied in
7 subsection A of this section, including the net amount of any
8 revenue resulting from a payment in lieu of excise taxes on
9 cigarettes levied by this section pursuant to a compact with a
10 federally recognized Indian tribe or nation after deductions for
11 deposits into trust accounts pursuant to such compacts, shall be
12 apportioned by the Oklahoma Tax Commission and transmitted to the
13 State Treasurer as follows:

14 1. Thirty-three percent (33%) shall be placed to the credit of
15 the State Board of Education for distribution to all common school
16 districts, based on average daily membership for the preceding
17 school year;

18 2. Thirty-three percent (33%) shall be placed to the credit of
19 the State Career-Technology Fund created pursuant to Section 14-105
20 of Title 70 of the Oklahoma Statutes; and

21 3. Thirty-four percent (34%) shall be placed to the credit of
22 the General Revenue Fund.

23 C. The tax shall be evidenced by tax stamps as now provided
24 for; however, as to cigarette packages of less than ten cigarettes

1 for free distribution as samples, the tax herein levied shall be
2 computed and paid as provided for other cigarette taxes without
3 affixing stamps on each such package.

4 D. No part of the revenues resulting from the additional taxes
5 levied in this section shall be used in determining the amount of
6 cigarette tax collections to be paid into:

7 1. The State of Oklahoma Building Bonds of 1961 Sinking Fund
8 pursuant to the provisions of Sections 57.31 through 57.43 of Title
9 62 of the Oklahoma Statutes;

10 2. The State of Oklahoma Institutional Building Bonds of 1965
11 Sinking Fund pursuant to the provisions of Sections 57.61 through
12 57.73 of Title 62 of the Oklahoma Statutes;

13 3. The State of Oklahoma Institutional Building Bonds of 1965
14 Sinking Fund Series C and Series D pursuant to Sections 57.81
15 through 57.112 of Title 62 of the Oklahoma Statutes;

16 4. The State of Oklahoma Building Bonds of 1968 Sinking Fund
17 pursuant to the provisions of Sections 57.121 through 57.193 of
18 Title 62 of the Oklahoma Statutes; or

19 5. The Oklahoma Building Bonds of 1992 Sinking Fund pursuant to
20 the provisions of Sections 57.300 through 57.313 of Title 62 of the
21 Oklahoma Statutes.

22 E. The cigarette taxes levied in this section shall be
23 collected and administered in all respects not inconsistent with as
24 now or hereafter provided for by law for other cigarette taxes now

1 levied, collected, and administered pursuant to the provisions of
2 Sections 301 through 325 of Title 68 of the Oklahoma Statutes.

3 SECTION 3. The Ballot Title for the proposed Constitutional
4 amendment as set forth in SECTION 2 of this act shall be in the
5 following form:

6 BALLOT TITLE

7 Legislative Referendum No. _____ State Question No. _____

8 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

9 The measure places a tax on cigarettes. The tax will be one-
10 half of one cent per cigarette. Monies from the tax will be
11 given to the General Fund of this state, common schools and
12 career technology centers. The tax will begin on January 1,
13 2015.

14 SHALL THE PROPOSAL BE APPROVED?

15 FOR THE PROPOSAL - YES _____

16 AGAINST THE PROPOSAL - NO _____

17 SECTION 4. The Chief Clerk of the House of Representatives,
18 immediately after the passage of this act, shall prepare and file
19 one copy thereof, including the Ballot Title set forth in SECTION 3
20 hereof, with the Secretary of State and one copy with the Attorney
21 General.

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23 54-1-5583 CJB 01/04/13

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