

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB1553 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: David Derby _____

Reading Clerk

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 PROPOSED COMMITTEE
4 SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1553

By: Sears of the House

and

Mazzei of the Senate

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10 PROPOSED COMMITTEE SUBSTITUTE

11 An Act relating to revenue and taxation; enacting the
12 Heavy Equipment Rental Fee Act; authorizing
13 imposition of recovery fee; stating amount of fee;
14 requiring retainage of fee proceeds; providing for
15 exemptions from imposition of fee; defining terms;
16 providing recovery fee not subject to certain tax
17 levies; requiring annual report to Oklahoma Tax
18 Commission; providing for remittance of certain
19 excess amount to the Oklahoma Tax Commission;
20 providing for apportionment of certain amounts by the
21 State Treasurer to the credit of the General Revenue
22 Fund of the State Treasury; providing for
23 codification; and providing an effective date.
24

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 5501 of Title 68, unless there
is created a duplication in numbering, reads as follows:

1 This act shall be known and may be cited as the "Heavy Equipment
2 Rental Fee Act".

3 SECTION 2. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 5502 of Title 68, unless there
5 is created a duplication in numbering, reads as follows:

6 A. Except as provided in subsection B of this section, a
7 company primarily in the business of renting heavy equipment
8 property located in this state may include in the rental invoice a
9 one and one-half percent (1.50%) recovery fee on the rental charge
10 from any item of heavy equipment property rental by a customer. The
11 total amount of the recovery fee shall be retained by the business
12 for the purpose of paying personal property taxes levied by all
13 taxing jurisdictions against the heavy equipment property located in
14 the state.

15 B. Notwithstanding subsection A of this section, the recovery
16 fee provided in this section shall not apply to the rental of heavy
17 equipment property to the State of Oklahoma, any municipality or any
18 county. The federal government is also exempt from the recovery
19 fee. There are no other exemptions from the recovery fee.

20 SECTION 3. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 5503 of Title 68, unless there
22 is created a duplication in numbering, reads as follows:

23 A. As used in this act, "heavy equipment property" means
24 property owned or held by a rental business classified under code

1 532412, 532310 or 423810 of the 2002 North American Industry
2 Classification System (2012) as published by the Bureau of the
3 Census.

4 B. As used in this act, "rental charge" means the charge of the
5 rental of heavy equipment property. It does not include any other
6 costs such as pickup and delivery, fuel or damage waiver.

7 SECTION 4. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 5504 of Title 68, unless there
9 is created a duplication in numbering, reads as follows:

10 The recovery fee shall not be subject to state or local sales
11 tax.

12 SECTION 5. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 5505 of Title 68, unless there
14 is created a duplication in numbering, reads as follows:

15 Annually, on or before March 15, each rental business that
16 collects the equipment rental surcharge is required to submit to the
17 Oklahoma Tax Commission a consolidated report showing the total
18 personal property taxes paid in the state during the previous
19 calendar year and the total surcharge collections. If the total
20 surcharge collections exceed the taxes paid, that excess shall be
21 remitted to the Oklahoma Tax Commission.

22 SECTION 6. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 5506 of Title 68, unless there
24 is created a duplication in numbering, reads as follows:

1 All monies collected under Section 5 of this act shall be
2 transmitted annually by April 15 of the following tax period by the
3 Oklahoma Tax Commission to the State Treasurer of the State of
4 Oklahoma to be placed to the credit of the General Revenue Fund of
5 the state, to be paid out only pursuant to direct appropriations of
6 the Legislature for general governmental functions of the State of
7 Oklahoma.

8 SECTION 7. This act shall become effective January 1, 2017.

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