

1 STATE OF OKLAHOMA

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

3 HOUSE JOINT  
4 RESOLUTION 1058

By: Cox

5  
6  
7 AS INTRODUCED

8 A Joint Resolution relating to revenue and taxation;  
9 ordering a legislative referendum pursuant to the  
10 Oklahoma Constitution; imposing additional tax levy  
11 upon cigarettes; specifying amount of additional  
12 levy; providing for apportionment of revenues;  
13 providing for codification; providing an effective  
14 date; providing ballot title; and directing filing.

15 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE  
16 2ND SESSION OF THE 55TH OKLAHOMA LEGISLATURE:

17 SECTION 1. Pursuant to Section 3 of Article V of the Oklahoma  
18 Constitution, there is hereby ordered the following legislative  
19 referendum which shall be filed with the Secretary of State and  
20 addressed to the Governor of the state, who shall submit the same to  
21 the people for their approval or rejection at the next General  
22 Election, to be held on November 8, 2016.

23 SECTION 2. NEW LAW A new section of law to be codified  
24 in the Oklahoma Statutes as Section 302-5A of Title 68, unless there  
is created a duplication in numbering, reads as follows:

1           A. Effective January 1, 2017, in addition to the tax levied in  
2 Sections 302, 302-1, 302-2, 302-3, 302-4 and 302-5 of Title 68 of  
3 the Oklahoma Statutes, there is hereby levied upon the sale, use,  
4 gift, possession or consumption of cigarettes as defined in Sections  
5 301 through 325 of Title 68 of the Oklahoma Statutes, within this  
6 state, a tax at the rate of One Dollar and fifty cents (\$1.50) per  
7 pack of cigarettes.

8           B. Except as provided in subsection D of this section, the  
9 revenue resulting from the additional tax levied in subsection A of  
10 this section shall be apportioned by the Oklahoma Tax Commission and  
11 transmitted to the State Treasurer as follows:

12           1. Sixty-six percent (66%) shall be placed to the credit of  
13 common education classroom teacher compensation created in Section 3  
14 of this act;

15           2. Thirty-two percent (32%) shall be placed to the credit of  
16 the Insure Oklahoma program and the Health Employee and Economy  
17 Improvement Act Revolving Fund created in Section 1010.1 of Title 56  
18 of the Oklahoma Statutes; and

19           3. Two percent (2%) shall be placed to the credit of pediatric  
20 cancer treatment and research.

21           C. The net amount of any revenue resulting from a payment in  
22 lieu of excise taxes on cigarettes levied by this section, pursuant  
23 to a compact with a federally recognized Indian tribe or nation  
24 after deductions for deposits into trust accounts pursuant to such

1 compacts, shall be apportioned by the Tax Commission and transmitted  
2 to the State Treasurer as follows:

3 1. Sixty-six percent (66%) shall be placed to the credit of the  
4 common education classroom teacher compensation through the State  
5 Department of Education;

6 2. Thirty-two percent (32%) shall be placed to the credit of  
7 the Insure Oklahoma program and the Health Employee and Economy  
8 Improvement Act Revolving Fund created in Section 1010.1 of Title 56  
9 of the Oklahoma Statutes; and

10 3. Two percent (2%) shall be placed to the credit of pediatric  
11 cancer treatment and research through the University Hospitals  
12 Authority.

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

16 1. The State of Oklahoma Building Bonds of 1961 Sinking Fund  
17 pursuant to the provisions of Sections 57.31 through 57.43 of Title  
18 62 of the Oklahoma Statutes;

19 2. The State of Oklahoma Institutional Building Bonds of 1965  
20 Sinking Fund pursuant to the provisions of Sections 57.61 through  
21 57.73 of Title 62 of the Oklahoma Statutes;

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

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

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

7 E. The cigarette taxes levied in this section shall be  
8 collected and administered in all respects not inconsistent with as  
9 now or hereafter provided for by law for other cigarette taxes now  
10 levied, collected and administered pursuant to the provisions of  
11 Sections 301 through 325 of Title 68 of the Oklahoma Statutes.

12 SECTION 3. This act shall become effective January 1, 2017.

13 SECTION 4. The Ballot Title for the proposed act shall be in  
14 the following form:

15 BALLOT TITLE

16 Legislative Referendum No. \_\_\_\_\_ State Question No. \_\_\_\_\_

17 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

18 This measure would provide for an additional tax on each pack of  
19 cigarettes. The additional tax would be One Dollar and fifty  
20 cents (\$1.50) per pack. The revenue from the additional tax  
21 would be sent to three different funds. Sixty-six percent (66%)  
22 of the new tax revenue would be sent to the State Department of  
23 Education for the purpose of increasing teacher compensation.  
24 Thirty-two percent (32%) of the new tax revenue would be sent to

1 the Health Employee and Economy Improvement Act Revolving Fund  
2 to provide health care insurance through the Insure Oklahoma  
3 program. Two percent (2%) of the new tax revenue would be sent  
4 to the University Hospitals Authority for pediatric cancer  
5 treatment and research. The new tax levy would become effective  
6 January 1, 2017.

7 SHALL THE PROPOSAL BE APPROVED?

8 FOR THE PROPOSAL - YES \_\_\_\_\_

9 AGAINST THE PROPOSAL - NO \_\_\_\_\_

10 SECTION 5. The Chief Clerk of the House of Representatives,  
11 immediately after the passage of this act, shall prepare and file  
12 one copy thereof, including the Ballot Title set forth in SECTION 4  
13 hereof, with the Secretary of State and one copy with the Attorney  
14 General.

15  
16 55-2-7608 AM 01/21/16  
17  
18  
19  
20  
21  
22  
23  
24