

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Extraordinary Session of the 56th Legislature (2017)

4 HOUSE BILL 1114

 By: McCall

7 AS INTRODUCED

8 An Act relating to revenue and taxation; stating
9 purpose; imposing additional tax levy upon
10 cigarettes; specifying amount of additional levy;
11 providing for apportionment of revenues; exempting
12 levy from inclusion in determination of certain
13 amounts; requiring certain collections and
14 administration of levy; prohibiting sale of cigarette
15 excise tax stamps to wholesalers in excess of certain
16 amount; providing exception; providing for
17 codification; and providing for noncodification.

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

19 SECTION 1. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 302-7 of Title 68, unless there
21 is created a duplication in numbering, reads as follows:

22 A. For the purpose of providing revenue for the support of the
23 functions of state government, 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
25 the Oklahoma Statutes, there is hereby levied upon the sale, use,
26 gift, possession or consumption of cigarettes, as defined in
27 Sections 301 through 325 of Title 68 of the Oklahoma Statutes,

1 within this state, a tax at the rate of _____ mills per
2 cigarette.

3 B. 1. Except as provided in paragraph 2 of this subsection,
4 the revenue resulting from the additional tax levied in subsection A
5 of this section shall be apportioned as provided in paragraph 3 of
6 this subsection.

7 2. The net amount of any revenue resulting from a payment in
8 lieu of excise taxes on cigarettes levied by this section, which net
9 amount shall be calculated after deductions for rebates owed
10 pursuant to a compact with a federally recognized Indian tribe or
11 nation, shall be apportioned as provided in paragraph 3 of this
12 subsection.

13 3. The resulting revenues as described by paragraphs 1 and 2 of
14 this subsection shall be apportioned by the Oklahoma Tax Commission
15 and transmitted to the State Treasurer who shall deposit such
16 revenue in the General Revenue Fund.

17 C. No part of the revenues resulting from the additional taxes
18 levied in this section shall be used in determining the amount of
19 cigarette tax collections to be paid into:

20 1. The State of Oklahoma Building Bonds of 1961 Sinking Fund
21 pursuant to the provisions of Sections 57.31 through 57.43 of Title
22 62 of the Oklahoma Statutes;

23

24

1 2. The State of Oklahoma Institutional Building Bonds of 1965
2 Sinking Fund pursuant to the provisions of Sections 57.61 through
3 57.73 of Title 62 of the Oklahoma Statutes;

4 3. The State of Oklahoma Institutional Building Bonds of 1965
5 Sinking Fund Series C and Series D pursuant to the provisions of
6 Sections 57.81 through 57.112 of Title 62 of the Oklahoma Statutes;

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

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

13 D. The cigarette taxes levied in this section shall be
14 collected and administered as provided by law for other cigarette
15 taxes now levied, collected and administered pursuant to the
16 provisions of Sections 301 through 325 of Title 68 of the Oklahoma
17 Statutes.

18 SECTION 2. NEW LAW A new section of law not to be
19 codified in the Oklahoma Statutes reads as follows:

20 The Oklahoma Tax Commission shall not sell cigarette excise tax
21 stamps to any wholesaler in excess of the amount of the monthly
22 average amount of such excise tax stamps sold to such wholesaler
23 during the preceding calendar year prior to the effective date of
24 Sections 1 and 2 of this act. Provided, the wholesaler may purchase

1 in excess of the monthly average purchased during the preceding
2 calendar year upon documentation, to the Tax Commission's
3 satisfaction, of probable sales greater than the wholesaler's sales
4 in the preceding calendar year.

5

6 DIRECT TO CALENDAR.

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24