

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

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

4 HOUSE BILL 1249

 By: Sanders of the House

5 and

6 Bice of the Senate

7
8
9 AS INTRODUCED

10 An Act relating to revenue and taxation; amending 68
11 O.S. 2011, Section 500.6, as amended by Section 4,
12 Chapter 375, O.S.L. 2013 (68 O.S. Supp. 2016, Section
13 500.6), Sections 500.7, 704, 707.3, and Section 723,
14 as amended by Section 8, Chapter 375, O.S.L. 2013 (68
15 O.S. Supp. 2016, Section 723), which relate to
16 apportionments of certain revenues; modifying
17 destination fund for certain apportionments; and
18 providing an effective date.

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

20 SECTION 1. AMENDATORY 68 O.S. 2011, Section 500.6, as
21 amended by Section 4, Chapter 375, O.S.L. 2013 (68 O.S. Supp. 2016,
22 Section 500.6), is amended to read as follows:

23 Section 500.6 A. The tax of sixteen cents (\$0.16) per gallon
24 of gasoline that is levied by paragraph 1 of subsection A of Section
 500.4 of this title, the tax upon compressed natural gas levied by
 paragraph 3 of subsection A of Section 500.4 of this title, the tax

1 upon liquefied natural gas levied by paragraph 4 of subsection A of
2 Section 500.4 of this title and the tax of two and eight one-
3 hundredths cents (\$0.0208) per gallon of gasoline that is levied by
4 subsection C of Section 500.4 of this title, and penalties and
5 interest thereon, collected by the Oklahoma Tax Commission under the
6 levy shall be apportioned and distributed monthly as follows:

7 1. The first Two Hundred Fifty Thousand Dollars (\$250,000.00)
8 of the levy collected each month shall be deposited in the State
9 Treasury to the credit of the ~~State Transportation Fund~~ State
10 Highway Construction and Maintenance Fund;

11 2. One and six hundred twenty-five one-thousandths percent
12 (1.625%) of the levy shall be remitted to the State Treasurer to the
13 credit of the High Priority State Bridge Revolving Fund as created
14 in Section 506 of Title 69 of the Oklahoma Statutes;

15 3. Sixty-three and seventy-five one-hundredths percent (63.75%)
16 of the levy shall be deposited in the State Treasury to the credit
17 of the ~~State Transportation Fund~~ State Highway Construction and
18 Maintenance Fund to be apportioned as follows:

19 a. the first Eight Hundred Fifty Thousand Dollars
20 (\$850,000.00) collected each fiscal year shall be
21 transferred to the Public Transit Revolving Fund,
22 created in Section 4031 of Title 69 of the Oklahoma
23 Statutes, and
24

1 b. the second Eight Hundred Fifty Thousand Dollars
2 (\$850,000.00) collected each fiscal year shall be
3 transferred to the Oklahoma Tourism and Passenger Rail
4 Revolving Fund and shall be used by the Department of
5 Transportation:

- 6 (1) to contract railroad passenger services,
7 including but not limited to a route linking
8 stations in Oklahoma and Tulsa Counties with
9 other primary points in the national railroad
10 passenger system and passenger rail service
11 within the state, and a route beginning at a
12 station in Oklahoma County and extending north to
13 the Kansas state line in Kay County, and
14 (2) to provide necessary facility, signaling, and
15 track improvements for those contracted services,

16 c. forty-one and two-tenths percent (41.2%) of the monies
17 apportioned to the ~~State Transportation Fund~~ State
18 Highway Construction and Maintenance Fund shall be
19 used for any purpose provided for in Section 1502 of
20 Title 69 of the Oklahoma Statutes,

21 d. nine and eight-tenths percent (9.8%) of the monies
22 apportioned to the ~~State Transportation Fund~~ State
23 Highway Construction and Maintenance Fund shall be
24 used to provide funds for the construction and

1 maintenance of farm-to-market roads on the state
2 highway system, and other rural farm-to-market roads
3 and bridges, and

- 4 e. any remaining amount of the apportionment shall be
5 deposited into the ~~State Transportation Fund~~ State
6 Highway Construction and Maintenance Fund;

7 4. Twenty-seven percent (27%) of the levy shall be transmitted
8 by the Tax Commission to the various counties of the state, to be
9 apportioned and used as follows:

- 10 a. sixty-five and three-tenths percent (65.3%) of the
11 monies apportioned under this paragraph shall be used
12 on the following basis:

- 13 (1) forty percent (40%) of such sum shall be
14 distributed to the various counties in the
15 proportion which the county road mileage of each
16 county bears to the entire state road mileage as
17 certified by the Transportation Commission, and
18 (2) the remaining sixty percent (60%) of such sum
19 shall be distributed to the various counties on
20 the basis which the population and area of each
21 county bears to the total population and area of
22 the state. The population shall be as shown by
23 the last Federal Decennial Census or the most
24

1 recent annual estimate provided by the U.S.
2 Bureau of the Census,

3 b. twenty-three and one-tenth percent (23.1%) of the
4 monies apportioned under this paragraph shall be
5 distributed to the counties in the following manner:
6 One-third (1/3) on area; one-third (1/3) on rural
7 population, defined as including the population of all
8 municipalities with a population of less than five
9 thousand (5,000) according to the latest Federal
10 Decennial Census; and one-third (1/3) on county road
11 mileage, as last certified by the Department of
12 Transportation, as each county bears to the entire
13 area, rural population and road mileage of the state,
14 and

15 c. eleven and six-tenths percent (11.6%) of the monies
16 apportioned under this paragraph shall be distributed
17 to the various counties of the state based on a
18 formula developed by the Department of Transportation
19 and approved by the Department of Transportation
20 County Advisory Board created pursuant to Section
21 302.1 of Title 69 of the Oklahoma Statutes. The
22 formula shall be similar to the formula currently used
23 for the distribution of monies in the County Bridge
24 Program funds, but shall also take into consideration

1 the effect of the terrain and traffic volume as
2 related to county road improvement and maintenance
3 costs;

4 5. Three and one hundred twenty-five one-thousandths percent
5 (3.125%) of the levy shall be distributed to the various counties of
6 the state based on a formula developed by the Department of
7 Transportation and approved by the Department of Transportation
8 County Advisory Board created pursuant to Section 302.1 of Title 69
9 of the Oklahoma Statutes. The formula shall be similar to the
10 formula currently used for the distribution of monies in the County
11 Bridge Program funds, but shall also take into consideration the
12 effect of the terrain and traffic volume as related to county road
13 improvement and maintenance costs;

14 6. Two and two hundred ninety-seven one-thousandths percent
15 (2.297%) of the levy shall be distributed to the various counties of
16 the state for deposit into the County Bridge and Road Improvement
17 Fund of each county based on a formula developed by the Department
18 of Transportation and approved by the Department of Transportation
19 County Advisory Board created pursuant to Section 302.1 of Title 69
20 of the Oklahoma Statutes to be used for the purposes set forth in
21 the County Bridge and Road Improvement Act. The formula shall be
22 similar to the formula currently used for the distribution of monies
23 in the County Bridge Program funds, but shall also take into
24

1 consideration the effect of the terrain and traffic volume as
2 related to county road improvement and maintenance costs;

3 7. One and eight hundred seventy-five one-thousandths percent
4 (1.875%) of the levy shall be transmitted by the Tax Commission to
5 the treasurers of the various incorporated cities and towns of the
6 state in the percentage which the population, as shown by the last
7 Federal Decennial Census or the most recent annual estimate provided
8 by the U.S. Bureau of the Census, bears to the total population of
9 all the incorporated cities and towns in this state. The funds
10 shall be expended for the construction, repair and maintenance of
11 the streets and alleys of the incorporated cities and towns of this
12 state; and

13 8. Three hundred twenty-eight one-thousandths percent (0.328%)
14 of the levy shall be transmitted by the Tax Commission to the
15 Statewide Circuit Engineering District Revolving Fund as created in
16 Section 687.2 of Title 69 of the Oklahoma Statutes.

17 B. 1. The funds apportioned or transmitted pursuant to
18 subparagraphs a, b, and c of paragraph 4 of subsection A of this
19 section, subsection B of Section 500.7 of this title, subsection B
20 of Section 704 of this title, Section 706 of this title, and
21 paragraph 2 of subsection D of Section 707.3 of this title shall be
22 sent to the respective county treasurers and deposited in the county
23 highway fund to be used by the county commissioners for the purpose
24 of constructing and maintaining county highways and bridges.

1 2. The funds received by any county shall not be diverted to
2 any other county of the state, and shall only be expended under the
3 direction and control of the board of county commissioners in the
4 county to which the funds are appropriated. If any part of the
5 funds is diverted for any other purpose, the county commissioners
6 shall be liable on their bond for double the amount of the money so
7 diverted. This paragraph shall not prohibit counties from entering
8 into cooperative agreements pertaining to the maintenance and
9 construction of roads and bridges.

10 3. Where any county highway has been laid out over a road
11 already constructed in any county by the use of money raised from
12 county bond issues for that purpose, either alone or by the use of
13 federal or state aid, or both, the county commissioners may set
14 aside out of the funds apportioned to that county, as provided in
15 this section, an amount of money equal to the value of any part
16 thereof, of the interest of such county in such highway or bridge,
17 which amount of money shall be considered by the excise board in
18 reducing the levy for the purpose of retiring the bonded
19 indebtedness and interest thereon of the county, and shall be used
20 for investment or deposit in the same manner as provided by law for
21 the disposition of other sinking fund money.

22 4. In all counties where the county excise board may find it
23 necessary, because of insufficient revenue, to maintain county
24 government out of the general fund, after a levy of ten (10) mills

1 has been made for any fiscal year, the county excise board may
2 appropriate out of any such funds apportioned to the county an
3 amount sufficient to pay the salaries of the county commissioners of
4 the county for the fiscal year.

5 5. Counties may use funds deposited in the county highway fund
6 for the purpose of matching federal or state funds, provided such
7 funds are available, as necessary to secure assistance in the
8 construction or improvement of the county road system.

9 C. With regards to the apportionment of the levy as set forth
10 in paragraph 5 of subsection A of this section, paragraph 5 of
11 subsection A of Section 500.7 of this title, and subsection C of
12 Section 707.2 of this title:

13 1. If any county has an accrued balance of funds which were
14 appropriated to or otherwise accrued in a restricted road
15 maintenance fund, such funds shall be deposited directly to the
16 county highway fund of the county;

17 2. If any county has an accrued balance of funds which were
18 appropriated to or otherwise accrued in the County Road Improvement
19 Fund, or the County Bridge Improvement Fund, such funds shall, by
20 resolution approved by a majority of the board of county
21 commissioners and filed with the Department of Transportation, be
22 deposited in the county highway fund of the county;

23 3. If any county has an accrued balance of funds which were
24 appropriated to or otherwise accrued in the County Bridge and Road

1 Improvement Fund, ninety-nine percent (99%) of such funds shall be
2 remitted to the respective county treasurer for deposit in the
3 appropriate County Bridge and Road Improvement Fund to be used for
4 the purpose set forth in the County Bridge and Road Improvement Act.
5 The remaining one percent (1%) of such funds will be remitted to the
6 Statewide Circuit Engineering District Revolving Fund; and

7 4. If any county has an advanced funding agreement with the
8 Department of Transportation, the Department of Transportation shall
9 notify the Tax Commission as to the amount the county is obligated
10 to pay according to the terms of the advanced funding agreement.
11 The obligated amount shall be transferred each month by the Tax
12 Commission to the Department of Transportation to the credit of the
13 County Bridge and Road Improvement Fund from the funds apportioned
14 to the county pursuant to paragraph 5 of subsection A of this
15 section. A county may elect to increase the monthly amount to be
16 repaid pursuant to the advanced funding agreement from the funds
17 apportioned to the county, but a county shall not be permitted to
18 reduce the amount agreed to pursuant to the advanced funding
19 agreement.

20 D. The tax levied on gasoline pursuant to Section 500.4A of
21 this title, and the penalties and interest thereon, collected by the
22 Tax Commission under the levy shall be apportioned and distributed
23 on a monthly basis to the State Highway Construction and Maintenance
24

1 Fund for the purposes authorized by Section 1502 of Title 69 of the
2 Oklahoma Statutes.

3 SECTION 2. AMENDATORY 68 O.S. 2011, Section 500.7, is
4 amended to read as follows:
5

6 Section 500.7 A. The tax of thirteen cents (\$0.13) per gallon
7 of diesel fuel that is levied by Section 500.4 of this title, and
8 all penalties and interest thereon, collected by the Oklahoma Tax
9 Commission under the levy shall be apportioned and distributed
10 monthly as follows:

11 1. The first Eighty-three Thousand Three Hundred Thirty-three
12 Dollars and thirty-three cents (\$83,333.33) of the levy collected
13 each month shall be deposited in the State Treasury to the credit of
14 the ~~State Transportation Fund~~ State Highway Construction and
15 Maintenance Fund;

16 2. One and thirty-nine one-hundredths percent (1.39%) of the
17 levy shall be paid by the Commission to the State Treasurer to the
18 credit of the High Priority State Bridge Revolving Fund as created
19 in Section 506 of Title 69 of the Oklahoma Statutes;

20 3. Sixty-four and thirty-four one-hundredths percent (64.34%)
21 of the levy shall be deposited in the State Treasury to the credit
22 of the ~~State Transportation Fund~~ State Highway Construction and
23 Maintenance Fund;

1 4. Twenty-six and fifty-eight one-hundredths percent (26.58%)
2 of the levy shall be transmitted by the Commission to various
3 counties of the state, to be apportioned as follows:

4 a. forty-two and one-tenth percent (42.1%) of the monies
5 apportioned under this paragraph shall be transmitted
6 to the various counties in the percentage which the
7 population and area of each county bears to the
8 population and area of the entire state. The
9 population shall be as shown by the last Federal
10 Decennial Census or the most recent annual estimate
11 provided by the U.S. Bureau of the Census,

12 b. fourteen and five-tenths percent (14.5%) of the monies
13 apportioned under this paragraph shall be distributed
14 as follows:

15 Forty percent (40%) of such sum shall be distributed
16 to the various counties in that proportion which the
17 county road mileage of each county bears to the entire
18 state road mileage as certified by the Transportation
19 Commission, and the remaining sixty percent (60%) of
20 such sum shall be distributed to the various counties
21 on the basis which the population and area of each
22 county bears to the total population and area of the
23 state. The population shall be as shown by the last
24

- 1 Federal Decennial Census or the most recent annual
2 estimate provided by the U.S. Bureau of the Census,
3 c. twenty-eight and nine-tenths percent (28.9%) of the
4 monies apportioned under this paragraph shall be
5 distributed to the several counties in the following
6 manner: one-third (1/3) on area, one-third (1/3) on
7 rural population (defined as including the population
8 of all municipalities with a population of less than
9 five thousand (5,000) according to the latest Federal
10 Decennial Census), and one-third (1/3) on county road
11 mileage, as last certified by the Department of
12 Transportation, as each county bears to the entire
13 area, rural population and road mileage of the state,
14 and
15 d. fourteen and five-tenths percent (14.5%) of the monies
16 apportioned under this paragraph shall be distributed
17 to the various counties of the state based on a
18 formula developed by the Department of Transportation
19 and approved by the Department of Transportation
20 County Advisory Board created pursuant to Section
21 302.1 of Title 69 of the Oklahoma Statutes. The
22 formula shall be similar to the formula currently used
23 for the distribution of the County Bridge Program
24 funds, but shall also take into consideration the

1 effect of the terrain and traffic volume as related to
2 the county road improvement and maintenance costs;

3 5. Three and eighty-five one-hundredths percent (3.85%) of the
4 levy shall be distributed based on a formula developed by the
5 Department of Transportation and approved by the Department of
6 Transportation County Advisory Board created pursuant to Section
7 302.1 of Title 69 of the Oklahoma Statutes. The formula shall be
8 similar to the formula currently used for the distribution of the
9 County Bridge Program funds, but shall also take into consideration
10 the effect of the terrain and traffic volume as related to the
11 county road improvement and maintenance costs. The apportionment of
12 the levy as set forth in this paragraph shall be subject to the
13 provisions of subsection C of Section 500.6 of this title; and

14 6. Three and thirty-six one-hundredths percent (3.36%) of the
15 levy shall be distributed to the various counties of the state for
16 deposit into the County Bridge and Road Improvement Fund of each
17 county based on a formula developed by the Department of
18 Transportation and approved by the Department of Transportation
19 County Advisory Board created pursuant to Section 302.1 of Title 69
20 of the Oklahoma Statutes to be used for the purposes set forth in
21 the County Bridge and Road Improvement Act. The formula shall be
22 similar to the formula currently used for the distribution of monies
23 in the County Bridge Program funds, but shall also take into
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1 consideration the effect of the terrain and traffic volume as
2 related to county road improvement and maintenance costs; and

3 7. Forty-eight one-hundredths percent (0.48%) of the levy shall
4 be transmitted by the Tax Commission to the Statewide Circuit
5 Engineering District Revolving Fund as created in Section 687.2 of
6 Title 69 of the Oklahoma Statutes.

7 B. The funds apportioned or transmitted pursuant to the
8 provisions of subparagraphs a, b, and c of paragraph 4 of subsection
9 A of this section shall be used in accordance with and subject to
10 the provisions of subsection B of Section 500.6 of this title.

11 C. The tax levied on diesel fuel pursuant to Section 500.4A of
12 this title, and all penalties and interest thereon, collected by the
13 Commission under the levy shall be apportioned and distributed on a
14 monthly basis to the State Highway Construction and Maintenance Fund
15 for the purposes authorized by Section 1502 of Title 69 of the
16 Oklahoma Statutes.

17 SECTION 3. AMENDATORY 68 O.S. 2011, Section 704, is
18 amended to read as follows:

19 Section 704 A. The purpose of Section 701 et seq. of this
20 title is to provide revenue for general governmental functions of
21 state government and for the construction and maintenance of state
22 and county highways and bridges. The tax, including penalties and
23 interest collected under the levy in Section 703 of this title,
24 shall be apportioned monthly for use as follows:

1 1. An amount equal to the revenue, including penalties and
2 interest thereon, accruing from four cents (\$0.04) per gallon of the
3 five and one-half cents (\$0.055) per gallon collected of the tax
4 levied by Section 703 of this title, shall be apportioned monthly
5 and used for the following purposes:

6 a. three percent (3%) shall be paid by the Tax Commission
7 to the State Treasurer and placed to the credit of the
8 General Revenue Fund of the State Treasury,

9 b. seventy-two and three-fourths percent (72 3/4%) shall
10 be deposited in the State Treasury to the credit of
11 the ~~State Transportation Fund~~ State Highway
12 Construction and Maintenance Fund, and

13 c. twenty-four and one-fourth percent (24 1/4%) shall be
14 transmitted by the Tax Commission to various counties
15 of the state, in the percentage which the population
16 and area of each county bears to the population and
17 area of the entire state. The population shall be as
18 shown by the last Federal Census or the most recent
19 annual estimate provided by the U.S. Bureau of the
20 Census;

21 2. An amount equal to the revenue, including penalties and
22 interest thereon, accruing from one cent (\$0.01) per gallon of the
23 five and one-half cents (\$0.055) per gallon collected of the tax
24 levied by Section 703 of this title, shall be apportioned monthly

1 and shall be deposited in the State Treasury to the credit of the
2 ~~State Transportation Fund~~ State Highway Construction and Maintenance
3 Fund; and

4 3. An amount equal to the revenue, including penalties and
5 interest thereon, accruing from one-half cent (\$0.005) per gallon of
6 the five and one-half cents (\$0.055) per gallon collected of the tax
7 levied by Section 703 of this title, shall be apportioned monthly
8 and distributed as follows:

9 Forty percent (40%) of such sum shall be distributed to the
10 various counties in that proportion which the county road mileage of
11 each county bears to the entire state road mileage as certified by
12 the State Transportation Commission, and the remaining sixty percent
13 (60%) of such sum shall be distributed to the various counties on
14 the basis which the population and area of each county bears to the
15 total population and area of the state. The population shall be as
16 shown by the last Federal Census or the most recent annual estimate
17 provided by the U.S. Bureau of the Census.

18 B. The funds apportioned or transmitted pursuant to the
19 provisions of subparagraph c of paragraph 1 of subsection A of this
20 section and paragraph 3 of subsection A of this section shall be
21 used in accordance with and subject to the provisions of subsection
22 B of Section 500.6 of this title.

23 SECTION 4. AMENDATORY 68 O.S. 2011, Section 707.3, is
24 amended to read as follows:

1 Section 707.3 A. In addition to the excise taxes levied by
2 Sections 703, 705, 707.1 and 707.2 of this title, there is hereby
3 levied an excise tax of six cents (\$0.06) upon the use within this
4 state of each and every gallon of special fuel, which shall be
5 reported and collected in the same manner as provided by law for the
6 reporting and collecting of all other tax levies upon the use of
7 special fuel within this state. The basis for computation of the
8 amount due shall be one hundred percent (100%) of the net gallonage
9 reported to the Tax Commission for taxation, after all deductions
10 allowed by law have been made.

11 B. The tax levied by this section shall not apply to special
12 fuel which is exempt from tax pursuant to the provisions of Section
13 708 of this title.

14 C. It is hereby declared to be the intent of the Legislature
15 that the total state excise tax, levied by this section and Sections
16 703, 705, 707.1 and 707.2 of this title, shall be sixteen cents
17 (\$0.16) upon each gallon of special fuel used within Oklahoma and
18 that no special fuel shall be subject to the total tax more than one
19 time.

20 D. The additional excise tax of six cents (\$0.06) per gallon of
21 special fuel levied by this section, together with any interest and
22 penalties thereon, collected by the Tax Commission shall be
23 apportioned monthly as follows:
24

1 1. Five cents (\$0.05) of the six cents (\$0.06), together with
2 any interest and penalties thereon, shall be apportioned to the
3 ~~State Transportation Fund~~ State Highway Construction and Maintenance
4 Fund; and

5 2. One cent (\$0.01) of the six cents (\$0.06), together with any
6 interest and penalties thereon, shall be distributed to the various
7 counties in the following manner: thirty percent (30%) based upon
8 area, thirty percent (30%) based upon population according to the
9 latest Federal Decennial Census or the most recent annual estimate
10 provided by the U.S. Bureau of the Census and forty percent (40%)
11 based upon county road mileage on the basis which the respective
12 area, population and county road mileage of each county bear to the
13 total area, population and county road mileage of the state. The
14 funds so transmitted shall be used in accordance with and subject to
15 the provisions of subsection B of Section 500.6 of this title.

16 SECTION 5. AMENDATORY 68 O.S. 2011, Section 723, as
17 amended by Section 8, Chapter 375, O.S.L. 2013 (68 O.S. Supp. 2016,
18 Section 723), is amended to read as follows:

19 Section 723. A. In lieu of the special fuel tax imposed by
20 Sections 703, 705, 707.1, 707.2 and 707.3 of this title, there is
21 hereby levied a flat fee of Fifty Dollars (\$50.00) on each passenger
22 automobile, and on each pickup truck or van not exceeding one (1)
23 ton in capacity, using liquefied petroleum gas or natural gas as
24 fuel, except that no such fee shall be levied on any vehicle which

1 is the subject of an exemption pursuant to Section 708 of this
2 title. Provided that, should the passenger automobile, pickup truck
3 or van have been acquired or should the liquefied petroleum gas or
4 natural gas system be installed on or after July 1, the flat fee
5 shall be Twenty-five Dollars (\$25.00) for the remainder of the
6 calendar year, except as hereinafter provided.

7 B. Beginning January 1, 1991, in lieu of the special fuel tax
8 imposed by Sections 703, 705, 707.1, 707.2 and 707.3 of this title,
9 there is hereby levied a flat fee of One Hundred Dollars (\$100.00)
10 on each passenger automobile, and on each pickup truck or van not
11 exceeding one (1) ton in capacity, using methanol or "M-85" which is
12 a mixture of methanol and gasoline containing at least eighty-five
13 percent (85%) methanol as fuel, except that no such fee shall be
14 levied on any vehicle which is the subject of an exemption pursuant
15 to Section 708 of this title. Provided that, should the passenger
16 automobile, pickup truck or van have been acquired or should
17 methanol or "M-85" system be installed on or after July 1, the flat
18 fee shall be Fifty Dollars (\$50.00) for the remainder of the
19 calendar year, except as hereinafter provided.

20 C. In lieu of the special fuel tax imposed by Sections 703,
21 705, 707.1, 707.2 and 707.3 of this title, there is hereby levied a
22 flat fee of One Hundred Fifty Dollars (\$150.00) on each vehicle
23 exceeding one (1) ton in capacity, using liquefied petroleum gas,
24 methanol or "M-85" as fuel, except that no such fee shall be levied

1 on any vehicle which is the subject of an exemption pursuant to
2 Section 708 of this title. Provided that, should the vehicle be
3 acquired or should the methanol or "M-85" system be installed on or
4 after July 1, the flat fee shall be Seventy-five Dollars (\$75.00)
5 for the remainder of the calendar year, except as hereinafter
6 provided.

7 D. Every person operating a vehicle using liquefied petroleum
8 gas, methanol or "M-85" as fuel shall make application for and
9 obtain a decal to be issued on a yearly basis by the Oklahoma Tax
10 Commission on forms prescribed and furnished by the Tax Commission.

11 E. Every person required to make application for and receive a
12 decal under this section shall, at the time of making said
13 application, remit to the Tax Commission the total amount of the fee
14 due.

15 F. Each decal issued by the Tax Commission pursuant to the
16 provisions of this section, shall expire on December 31 of every
17 year, and in addition thereto said decals shall be displayed in the
18 lower right hand corner of the front windshield of said vehicle.
19 Upon receipt of satisfactory proof by the Tax Commission that it has
20 become necessary to replace the windshield of the vehicle for which
21 the decal was issued, another decal shall be issued by the Tax
22 Commission as a replacement for a fee of One Dollar (\$1.00).

23 G. When any vehicle using liquefied petroleum gas, methanol or
24 "M-85" as fuel and displaying a current decal as provided in this

1 section is sold, such decal shall remain with the vehicle sold,
2 unless the equipment installed to enable the vehicle to use
3 liquefied petroleum gas, methanol or "M-85" has been removed from
4 the vehicle before the sale.

5 H. When the aforementioned equipment has been removed before
6 the sale, the seller of the vehicle shall also remove the decal
7 required of vehicles using liquefied petroleum gas, methanol or "M-
8 85". The removed decal, a receipt from the Oklahoma Tax Commission
9 showing that the fee required has been paid for the current year,
10 and the payment of a one-dollar fee for duplicate decal shall
11 entitle the seller to make application for and obtain a new decal to
12 be used for the remainder of the year on any vehicle using liquefied
13 petroleum gas, methanol or "M-85" in accordance with the provisions
14 of this section.

15 I. Provisions contained in Sections 701 through 721 of this
16 title shall not apply to any vehicle using liquefied petroleum gas,
17 methanol or "M-85".

18 J. All funds derived from the fee imposed by subsection A of
19 this section shall be deposited annually in the General Revenue Fund
20 of the State Treasury by the Tax Commission. When any person fails
21 to obtain a current decal within thirty (30) days of the date said
22 decal is required as provided in this section, there shall become
23 due and payable a penalty of twenty percent (20%) of the fee in
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1 addition to the fee. Said penalty to be deposited in the same
2 manner as the fee pursuant to this subsection.

3 K. All funds derived from the fee imposed by subsections B and
4 C of this section shall be collected by the Oklahoma Tax Commission
5 and apportioned annually to the ~~State Transportation Fund~~ State
6 Highway Construction and Maintenance Fund. When any person fails to
7 obtain a current decal within thirty (30) days of the date such
8 decal is required as provided in this section, there shall become
9 due and payable a penalty of twenty percent (20%) of the fee in
10 addition to the fee. Such penalty shall be deposited in the same
11 manner as the fee pursuant to this subsection.

12 SECTION 6. This act shall become effective November 1, 2017.

13
14 COMMITTEE REPORT BY: COMMITTEE ON TRANSPORTATION, dated 02/27/2017 -
15 DO PASS, As Coauthored.
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