

STATE OF OKLAHOMA

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

HOUSE BILL 1099

By: Wallace and Casey of the
House

and

David and Fields of the
Senate

AS INTRODUCED

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

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 302-7 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For the purpose of providing revenue for the support of the functions of state government, in addition to the tax levied in Sections 302, 302-1, 302-2, 302-3, 302-4 and 302-5 of Title 68 of the Oklahoma Statutes, there is hereby levied upon the sale, use,

1 gift, possession or consumption of cigarettes, as defined in
2 Sections 301 through 325 of Title 68 of the Oklahoma Statutes,
3 within this state, a tax at the rate of seventy-five (75) mills per
4 cigarette.

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

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

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

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

22 1. The State of Oklahoma Building Bonds of 1961 Sinking Fund
23 pursuant to the provisions of Sections 57.31 through 57.43 of Title
24 62 of the Oklahoma Statutes;

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.

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