

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 HOUSE BILL 1249

By: Sanders

6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68
8 O.S. 2011, Section 500.6, as amended by Section 4,
Chapter 375, O.S.L. 2013 (68 O.S. Supp. 2016, Section
9 500.6), Sections 500.7, 704, 707.3, and Section 723,
as amended by Section 8, Chapter 375, O.S.L. 2013 (68
10 O.S. Supp. 2016, Section 723), which relate to
apportionments of certain revenues; modifying
11 destination fund for certain apportionments; and
providing an effective date.

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

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

18 Section 500.6 A. The tax of sixteen cents (\$0.16) per gallon
19 of gasoline that is levied by paragraph 1 of subsection A of Section
20 500.4 of this title, the tax upon compressed natural gas levied by
21 paragraph 3 of subsection A of Section 500.4 of this title, the tax
22 upon liquefied natural gas levied by paragraph 4 of subsection A of
23 Section 500.4 of this title and the tax of two and eight one-
24 hundredths cents (\$0.0208) per gallon of gasoline that is levied by

subsection C of Section 500.4 of this title, and penalties and interest thereon, collected by the Oklahoma Tax Commission under the levy shall be apportioned and distributed monthly as follows:

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

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

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

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

b. the second Eight Hundred Fifty Thousand Dollars (\$850,000.00) collected each fiscal year shall be transferred to the Oklahoma Tourism and Passenger Rail

1 Revolving Fund and shall be used by the Department of
2 Transportation:

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

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

18 d. nine and eight-tenths percent (9.8%) of the monies
19 apportioned to the ~~State Transportation Fund~~ State
20 Highway Construction and Maintenance Fund shall be
21 used to provide funds for the construction and
22 maintenance of farm-to-market roads on the state
23 highway system, and other rural farm-to-market roads
24 and bridges, and

1 e. any remaining amount of the apportionment shall be
2 deposited into the ~~State Transportation Fund~~ State
3 Highway Construction and Maintenance Fund;

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

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

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

- b. twenty-three and one-tenth percent (23.1%) of the monies apportioned under this paragraph shall be distributed to the counties in the following manner: One-third (1/3) on area; one-third (1/3) on rural population, defined as including the population of all municipalities with a population of less than five thousand (5,000) according to the latest Federal Decennial Census; and one-third (1/3) on county road mileage, as last certified by the Department of Transportation, as each county bears to the entire area, rural population and road mileage of the state, and
- c. eleven and six-tenths percent (11.6%) of the monies apportioned under this paragraph shall be distributed to the various counties of the state based on a formula developed by the Department of Transportation and approved by the Department of Transportation County Advisory Board created pursuant to Section 302.1 of Title 69 of the Oklahoma Statutes. The formula shall be similar to the formula currently used for the distribution of monies in the County Bridge Program funds, but shall also take into consideration the effect of the terrain and traffic volume as

1 related to county road improvement and maintenance
2 costs;

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

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

1 7. One and eight hundred seventy-five one-thousandths percent
2 (1.875%) of the levy shall be transmitted by the Tax Commission to
3 the treasurers of the various incorporated cities and towns of the
4 state in the percentage which the population, as shown by the last
5 Federal Decennial Census or the most recent annual estimate provided
6 by the U.S. Bureau of the Census, bears to the total population of
7 all the incorporated cities and towns in this state. The funds
8 shall be expended for the construction, repair and maintenance of
9 the streets and alleys of the incorporated cities and towns of this
10 state; and

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

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

23 2. The funds received by any county shall not be diverted to
24 any other county of the state, and shall only be expended under the

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

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

20 4. In all counties where the county excise board may find it
21 necessary, because of insufficient revenue, to maintain county
22 government out of the general fund, after a levy of ten (10) mills
23 has been made for any fiscal year, the county excise board may
24 appropriate out of any such funds apportioned to the county an

1 amount sufficient to pay the salaries of the county commissioners of
2 the county for the fiscal year.

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

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

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

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

21 3. If any county has an accrued balance of funds which were
22 appropriated to or otherwise accrued in the County Bridge and Road
23 Improvement Fund, ninety-nine percent (99%) of such funds shall be
24 remitted to the respective county treasurer for deposit in the

1 appropriate County Bridge and Road Improvement Fund to be used for
2 the purpose set forth in the County Bridge and Road Improvement Act.
3 The remaining one percent (1%) of such funds will be remitted to the
4 Statewide Circuit Engineering District Revolving Fund; and

5 4. If any county has an advanced funding agreement with the
6 Department of Transportation, the Department of Transportation shall
7 notify the Tax Commission as to the amount the county is obligated
8 to pay according to the terms of the advanced funding agreement.

9 The obligated amount shall be transferred each month by the Tax
10 Commission to the Department of Transportation to the credit of the
11 County Bridge and Road Improvement Fund from the funds apportioned
12 to the county pursuant to paragraph 5 of subsection A of this
13 section. A county may elect to increase the monthly amount to be
14 repaid pursuant to the advanced funding agreement from the funds
15 apportioned to the county, but a county shall not be permitted to
16 reduce the amount agreed to pursuant to the advanced funding
17 agreement.

18 D. The tax levied on gasoline pursuant to Section 500.4A of
19 this title, and the penalties and interest thereon, collected by the
20 Tax Commission under the levy shall be apportioned and distributed
21 on a monthly basis to the State Highway Construction and Maintenance
22 Fund for the purposes authorized by Section 1502 of Title 69 of the
23 Oklahoma Statutes.

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

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

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

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

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

21 4. Twenty-six and fifty-eight one-hundredths percent (26.58%)
22 of the levy shall be transmitted by the Commission to various
23 counties of the state, to be apportioned as follows:
24

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

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

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

23 c. twenty-eight and nine-tenths percent (28.9%) of the
24 monies apportioned under this paragraph shall be

1 distributed to the several counties in the following
2 manner: one-third (1/3) on area, one-third (1/3) on
3 rural population (defined as including the population
4 of all municipalities with a population of less than
5 five thousand (5,000) according to the latest Federal
6 Decennial Census), and one-third (1/3) on county road
7 mileage, as last certified by the Department of
8 Transportation, as each county bears to the entire
9 area, rural population and road mileage of the state,
10 and

11 d. fourteen and five-tenths percent (14.5%) of the monies
12 apportioned under this paragraph shall be distributed
13 to the various counties of the state based on a
14 formula developed by the Department of Transportation
15 and approved by the Department of Transportation
16 County Advisory Board created pursuant to Section
17 302.1 of Title 69 of the Oklahoma Statutes. The
18 formula shall be similar to the formula currently used
19 for the distribution of the County Bridge Program
20 funds, but shall also take into consideration the
21 effect of the terrain and traffic volume as related to
22 the county road improvement and maintenance costs;

23 5. Three and eighty-five one-hundredths percent (3.85%) of the
24 levy shall be distributed based on a formula developed by the

1 Department of Transportation and approved by the Department of
2 Transportation County Advisory Board created pursuant to Section
3 302.1 of Title 69 of the Oklahoma Statutes. The formula shall be
4 similar to the formula currently used for the distribution of the
5 County Bridge Program funds, but shall also take into consideration
6 the effect of the terrain and traffic volume as related to the
7 county road improvement and maintenance costs. The apportionment of
8 the levy as set forth in this paragraph shall be subject to the
9 provisions of subsection C of Section 500.6 of this title; and

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

22 7. Forty-eight one-hundredths percent (0.48%) of the levy shall
23 be transmitted by the Tax Commission to the Statewide Circuit
24

1 Engineering District Revolving Fund as created in Section 687.2 of
2 Title 69 of the Oklahoma Statutes.

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

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

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

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

21 1. An amount equal to the revenue, including penalties and
22 interest thereon, accruing from four cents (\$0.04) per gallon of the
23 five and one-half cents (\$0.055) per gallon collected of the tax
24

1 levied by Section 703 of this title, shall be apportioned monthly
2 and used for the following purposes:

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

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

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

18 2. An amount equal to the revenue, including penalties and
19 interest thereon, accruing from one cent (\$0.01) per gallon of the
20 five and one-half cents (\$0.055) per gallon collected of the tax
21 levied by Section 703 of this title, shall be apportioned monthly
22 and shall be deposited in the State Treasury to the credit of the
23 ~~State Transportation Fund~~ State Highway Construction and Maintenance
24 Fund; and

1 3. An amount equal to the revenue, including penalties and
2 interest thereon, accruing from one-half cent (\$0.005) per gallon of
3 the 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 distributed as follows:

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

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

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

22 Section 707.3 A. In addition to the excise taxes levied by
23 Sections 703, 705, 707.1 and 707.2 of this title, there is hereby
24 levied an excise tax of six cents (\$0.06) upon the use within this

1 state of each and every gallon of special fuel, which shall be
2 reported and collected in the same manner as provided by law for the
3 reporting and collecting of all other tax levies upon the use of
4 special fuel within this state. The basis for computation of the
5 amount due shall be one hundred percent (100%) of the net gallorage
6 reported to the Tax Commission for taxation, after all deductions
7 allowed by law have been made.

8 B. The tax levied by this section shall not apply to special
9 fuel which is exempt from tax pursuant to the provisions of Section
10 708 of this title.

11 C. It is hereby declared to be the intent of the Legislature
12 that the total state excise tax, levied by this section and Sections
13 703, 705, 707.1 and 707.2 of this title, shall be sixteen cents
14 (\$0.16) upon each gallon of special fuel used within Oklahoma and
15 that no special fuel shall be subject to the total tax more than one
16 time.

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

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

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

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

15 Section 723. A. In lieu of the special fuel tax imposed by
16 Sections 703, 705, 707.1, 707.2 and 707.3 of this title, there is
17 hereby levied a flat fee of Fifty Dollars (\$50.00) on each passenger
18 automobile, and on each pickup truck or van not exceeding one (1)
19 ton in capacity, using liquefied petroleum gas or natural gas as
20 fuel, except that no such fee shall be levied on any vehicle which
21 is the subject of an exemption pursuant to Section 708 of this
22 title. Provided that, should the passenger automobile, pickup truck
23 or van have been acquired or should the liquefied petroleum gas or
24 natural gas system be installed on or after July 1, the flat fee

1 shall be Twenty-five Dollars (\$25.00) for the remainder of the
2 calendar year, except as hereinafter provided.

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

16 C. In lieu of the special fuel tax imposed by Sections 703,
17 705, 707.1, 707.2 and 707.3 of this title, there is hereby levied a
18 flat fee of One Hundred Fifty Dollars (\$150.00) on each vehicle
19 exceeding one (1) ton in capacity, using liquefied petroleum gas,
20 methanol or "M-85" as fuel, except that no such fee shall be levied
21 on any vehicle which is the subject of an exemption pursuant to
22 Section 708 of this title. Provided that, should the vehicle be
23 acquired or should the methanol or "M-85" system be installed on or
24 after July 1, the flat fee shall be Seventy-five Dollars (\$75.00)

1 for the remainder of the calendar year, except as hereinafter
2 provided.

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

7 E. Every person required to make application for and receive a
8 decal under this section shall, at the time of making said
9 application, remit to the Tax Commission the total amount of the fee
10 due.

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

19 G. When any vehicle using liquefied petroleum gas, methanol or
20 "M-85" as fuel and displaying a current decal as provided in this
21 section is sold, such decal shall remain with the vehicle sold,
22 unless the equipment installed to enable the vehicle to use
23 liquefied petroleum gas, methanol or "M-85" has been removed from
24 the vehicle before the sale.

1 H. When the aforementioned equipment has been removed before
2 the sale, the seller of the vehicle shall also remove the decal
3 required of vehicles using liquefied petroleum gas, methanol or "M-
4 85". The removed decal, a receipt from the Oklahoma Tax Commission
5 showing that the fee required has been paid for the current year,
6 and the payment of a one-dollar fee for duplicate decal shall
7 entitle the seller to make application for and obtain a new decal to
8 be used for the remainder of the year on any vehicle using liquefied
9 petroleum gas, methanol or "M-85" in accordance with the provisions
10 of this section.

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

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

22 K. All funds derived from the fee imposed by subsections B and
23 C of this section shall be collected by the Oklahoma Tax Commission
24 and apportioned annually to the ~~State Transportation Fund~~ State

1 Highway Construction and Maintenance Fund. When any person fails to
2 obtain a current decal within thirty (30) days of the date such
3 decal is required as provided in this section, there shall become
4 due and payable a penalty of twenty percent (20%) of the fee in
5 addition to the fee. Such penalty shall be deposited in the same
6 manner as the fee pursuant to this subsection.

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

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9 56-1-5900 JM 12/21/16
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