

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

HOUSE BILL 2761

By: Humphrey

AS INTRODUCED

An Act relating to revenue and taxation; stating purpose of tax levy; imposing levy of tax on gross receipts paid to certain for profit business entities; stating rate of tax levy; providing for exemptions from tax levy; prescribing procedures for remittance of tax; prescribing due dates; providing for imposition of penalty and interest; providing for apportionment of revenues; providing for apportionment to counties; providing for apportionment to school districts; providing for codification; and providing an effective date.

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 2806.1 of Title 68, unless there is created a duplication in numbering, reads as follows:

The purpose of the tax levy authorized pursuant to the provisions of this act is to provide revenues to counties and school districts to compensate those governmental jurisdictions for diminished property tax revenues associated with reduced valuations of real property in certain use categories.

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2806.2 of Title 68, unless there
3 is created a duplication in numbering, reads as follows:

4 There is hereby imposed a tax levy in the amount of seven
5 percent (7%) on the gross proceeds received by any for profit
6 business entity that leases lands for the purpose of allowing the
7 hunting of animals on lands owned by such entity to either a natural
8 person or persons or to a business entity as lessee.

9 SECTION 3. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 2806.3 of Title 68, unless there
11 is created a duplication in numbering, reads as follows:

12 The tax imposed by Section 2 of this act shall not be applicable
13 to any lease with respect to real property title to which is held by
14 one or more natural persons.

15 SECTION 4. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 2806.4 of Title 68, unless there
17 is created a duplication in numbering, reads as follows:

18 The tax imposed pursuant to Section 2 of this act shall be
19 remitted to the county treasurer of the county in which the real
20 property subject to the commercial hunting lease is located. If the
21 lease covers real property located in more than one county, the
22 amount remitted to each county shall be computed by determining the
23 acreage of the real property subject to the lease which is located
24 in each county and dividing that figure by the total acreage of the

1 real property subject to the lease in all counties. The tax,
2 penalty and interest, if applicable, shall be apportioned to each
3 county according to the resulting percentage.

4 SECTION 5. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 2806.5 of Title 68, unless there
6 is created a duplication in numbering, reads as follows:

7 A. The tax shall be remitted on a form to be prescribed by the
8 Oklahoma Tax Commission for such purpose.

9 B. The tax shall be remitted not later than the fifteenth day
10 of the month following the month during which the lease payment is
11 made to the lessor by the lessee or if the lease is paid less
12 frequently than monthly, by the fifteenth day of the month following
13 the month during which any lease payment is made to the lessor.

14 SECTION 6. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 2806.6 of Title 68, unless there
16 is created a duplication in numbering, reads as follows:

17 A. If not remitted by the time period prescribed by Section 5
18 of this act, there shall be imposed a penalty of ten percent (10%)
19 of the principal amount of tax due and owing which shall be included
20 in the amount of the tax liability owed.

21 B. If not remitted by the time period prescribed by Section 5
22 of this act, interest shall accrue on the amount of the tax
23 liability due and owing at the rate of fifteen percent (15%) per
24 annum until paid.

1 SECTION 7. NEW LAW A new section of law to be codified

2 in the Oklahoma Statutes as Section 2806.7 of Title 68, unless there
3 is created a duplication in numbering, reads as follows:

4 A. All taxes, penalty and interest shall be apportioned by the
5 county treasurer of the applicable county to the county general fund
6 and to the general fund of the school district in which the real
7 property described in the lease agreement is located.

8 B. The amount apportioned to the county shall be computed
9 according to the requirements of this subsection and an additional
10 apportionment as computed in subsection D of this section. The first
11 apportionment shall be equal to the percentage derived by dividing
12 the number of mills levied for the county general fund by the total
13 number of mills levied by all ad valorem taxing jurisdictions of the
14 county in which the real property is located.

15 C. The amount apportioned to a common school district shall be
16 computed according to the requirements of this subsection and an
17 additional apportionment as computed in subsection D of this
18 section. The amount apportioned to the common school district shall
19 be equal to the percentage derived by dividing the number of mills
20 levied for the general fund of the school district by the total
21 number of mills levied by all ad valorem taxing jurisdictions of the
22 county in which the real property is located.

23 D. If the apportionments prescribed by subsections C and D of
24 this section do not account for one hundred percent (100%) of the

1 tax, penalty and interest remitted, then the percentage apportioned
2 to the county shall be added to the percentage apportioned to the
3 school district. The sum of that computation shall be subtracted
4 from the number one hundred (100). The result of that computation
5 shall be divided by the whole number two (2). The result of that
6 computation shall determine the apportionment of the balance of the
7 tax, penalty and interest to be paid to the county and the common
8 school district respectively.

9 SECTION 8. This act shall become effective November 1, 2018.

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