

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

4/27/2017 7:32:00 PM

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

HB2360

By: Osborn (Leslie) et al of the House

David et al of the Senate

Title: Revenue and taxation; State Revenue and Taxation Reform Act of 2017; effective date.

Coauthored By:

Recommendation: **DO PASS AS AMENDED BY CS**

Amendments:

1. Committee Substitute Attached



Chr.
Representative Leslie Osborn

YEAS: 19

Biggs, Casey, Cockcroft, Dunnington, Inman, Jordan, Loring, Martin, O'Donnell, Ortega, Osborn (L), Ownbey, Pfeiffer, Roberts (D), Sanders, Sears, Virgin, Wallace, Wright

NAYS: 4

Bennett (J), Calvey, Murphey, Stone

CONSTITUTIONAL PRIVILEGE: 0

**OKLAHOMA STATE SENATE
JOINT
COMMITTEE REPORT**

April 27, 2017

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

HB 2360

By: Osborn (Leslie) of the House and David and Fields of the Senate

Title: Revenue and taxation; State Revenue and Taxation Reform Act of 2017; effective date.

Recommendation: **DO PASS AS AMENDED**

Aye: Allen, Boggs, Dugger, Leewright, Marlatt, McCortney, Newhouse, Paxton, Pederson, Pemberton, Pugh, Quinn, Rader, Scott, Shaw, Simpson, Thompson, Yen, Fields, David

Nay: Bergstrom, Bice, Brecheen, Brown, Dahm, Daniels, Dossett, Floyd, Fry, Griffin, Jech, Kidd, Matthews, Newberry, Pittman, Silk, Sparks, Standridge, Sykes

Pass:

Senator Kim David, Chair

Committee Substitute, motion by Senator DAVID - Adopted (Request No: 7728)

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

COMMITTEE SUBSTITUTE
FOR

HOUSE BILL NO. 2360

By: Osborn (Leslie) and Wallace
of the House

and

David and Fields of the
Senate

COMMITTEE SUBSTITUTE

An Act relating to intoxicating liquors; amending 37 O.S. 2011, Section 576, as last amended by Section 18, Chapter 298, O.S.L. 2014 (37 O.S. Supp. 2016, Section 576), which relates to gross receipts taxes on products sold by certain licensees; clarifying references; applying certain rate to low-point beer; repealing 37 O.S. 2011, Section 576, as last amended by Section 1 of this act, which related to gross receipts taxes on products sold by certain licenses; providing effective dates; and declaring an emergency.

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

SECTION 1. AMENDATORY 37 O.S. 2011, Section 576, as last amended by Section 18, Chapter 298, O.S.L. 2014 (37 O.S. Supp. 2016, Section 576), is amended to read as follows:

Section 576. A. A tax ~~at the rate of thirteen and one-half percent (13.5%)~~ is hereby levied and imposed on the total gross receipts of a holder of a mixed beverage, caterer, public event or

1 special event license, issued by the ABLE Commission, ~~from~~ and a
2 retail dealer licensed under Section 163.7 of this title to sell
3 low-point beer for consumption on premises at a rate of:

4 1. ~~The~~ Thirteen and one-half percent (13.5%) from:

5 a. the sale, preparation or service of mixed beverages;

6 ~~2. The,~~

7 b. the total retail value of complimentary or discounted
8 mixed beverages;

9 ~~3. Ice,~~

10 c. ice or nonalcoholic beverages that are sold, prepared
11 or served for the purpose of being mixed with
12 alcoholic beverages and consumed on the premises where
13 the sale, preparation or service occurs;

14 ~~4. Any,~~ and

15 d. any charges for the privilege of admission to a mixed
16 beverage establishment which entitle a person to
17 complimentary mixed beverages or discounted prices for
18 mixed beverages; and

19 2. Seven percent (7%) from the sale of low-point beer as
20 defined in Section 163.2 of this title.

21 B. For purposes of this section:

22 1. "Mixed beverages" means mixed beverages as defined by
23 Section 506 of this title;

1 2. "Total gross receipts" means the total amount of
2 consideration received as charges for admission to a mixed beverage
3 establishment as provided in subparagraph d of paragraph 4 1 of
4 subsection A of this section and the total retail sale price
5 received for the sale, preparation or service of mixed beverages,
6 ice, and nonalcoholic beverages to be mixed with alcoholic
7 beverages. The advertised price of a mixed beverage may be the sum
8 of the total retail sale price and the gross receipts tax levied
9 thereon; and

10 3. "Total retail value" means the total amount of consideration
11 that would be required for the sale, preparation or service of mixed
12 beverages.

13 C. The gross receipts tax levied by this section shall be in
14 addition to the excise ~~tax~~ taxes levied in ~~Section~~ Sections 163.3
15 and 553 of this title, the sales tax levied in the Oklahoma Sales
16 Tax Code and to any municipal or county sales taxes.

17 D. The gross receipts tax levied by this section is hereby
18 declared to be a direct tax upon the receipt of consideration for
19 any charges for admission to a mixed beverage establishment as
20 provided in subparagraph d of paragraph 4 1 of subsection A of this
21 section, for the sale, preparation or service of mixed beverages,
22 ice, and nonalcoholic beverages to be mixed with alcoholic
23 beverages, and the total retail value of complimentary or discounted
24 mixed beverages.

1 E. The total of the retail sale price received for the sale,
2 preparation or service of mixed beverages, ice, and nonalcoholic
3 beverages to be mixed with alcoholic beverages shall be the total
4 gross receipts for purposes of calculating the sales tax levied in
5 the Oklahoma Sales Tax Code.

6 SECTION 2. REPEALER 37 O.S. 2011, Section 576, as last
7 amended by Section 1 of this act, is hereby repealed.

8 SECTION 3. Section 1 of this act shall become effective July 1,
9 2017.

10 SECTION 4. Section 2 of this act shall become effective October
11 1, 2018.

12 SECTION 5. It being immediately necessary for the preservation
13 of the public peace, health or safety, an emergency is hereby
14 declared to exist, by reason whereof this act shall take effect and
15 be in full force from and after its passage and approval.

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17 56-1-7776 MAH 04/27/17
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