

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

HOUSE BILL 2969

By: West (Josh)

AS INTRODUCED

An Act relating to revenue and taxation; amending 68 O.S. 2011, Sections 1353, as last amended by Section 1, Chapter 446, O.S.L. 2019 and 1403, as last amended by Section 9, Chapter 17, 2nd Extraordinary Session, O.S.L. 2018 (68 O.S. Supp. 2019, Sections 1353 and 1403), which relate to apportionment of sales tax and use tax; modifying provisions related to maximum apportionment to the Oklahoma Tourism Promotion Revolving Fund and the Oklahoma Tourism Capital Improvement Revolving Fund; modifying provisions related to apportionment of revenues to the General Revenue Fund; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 68 O.S. 2011, Section 1353, as last amended by Section 1, Chapter 446, O.S.L. 2019 (68 O.S. Supp. 2019, Section 1353), is amended to read as follows:

Section 1353. A. It is hereby declared to be the purpose of the Oklahoma Sales Tax Code to provide funds for the financing of the program provided for by the Oklahoma Social Security Act and to provide revenues for the support of the functions of the state government of Oklahoma, and for this purpose it is hereby expressly

1 provided that, revenues derived pursuant to the provisions of the
2 Oklahoma Sales Tax Code, subject to the apportionment requirements
3 for the Oklahoma Tax Commission and Office of Management and
4 Enterprise Services Joint Computer Enhancement Fund provided by
5 Section 265 of this title, shall be apportioned as follows:

6 1. a. except as provided in subsection C of this section,
7 the following amounts shall be paid to the State
8 Treasurer to be placed to the credit of the General
9 Revenue Fund to be paid out pursuant to direct
10 appropriation by the Legislature:

11	Fiscal Year	Amount
12	FY 2003 and FY 2004	86.04%
13	FY 2005	85.83%
14	FY 2006	85.54%
15	FY 2007	85.04%
16	FY 2008 and each fiscal	
17	year thereafter	83.61%

18 b. in the event that additional monies are necessary
19 pursuant to paragraph 6 of this subsection, such
20 additional monies shall be deducted in the proportion
21 determined by the State Board of Equalization pursuant
22 to paragraph 3 of Section 2355.1B of this title from
23 the monies apportioned to the General Revenue Fund;
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2. For FY 2003, FY 2004 and FY 2005, ten and forty-two one-hundredths percent (10.42%), shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education and for FY 2006 and each fiscal year thereafter, ten and forty-six one-hundredths percent (10.46%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education;

3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

4. ~~a. except as otherwise provided in subparagraph b of this paragraph, for~~ For the fiscal year beginning July 1, ~~2015~~ 2020, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State Treasurer to be further apportioned as follows:

~~(1)~~ a. thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, ~~but in no event shall such apportionment exceed Five Million Dollars (\$5,000,000.00) in any fiscal year, and~~

~~-(2) b.~~ sixty-four percent (64%) shall be placed to the credit of the Oklahoma Tourism Capital Improvement Revolving Fund, ~~but in no event shall such apportionment exceed Nine Million Dollars (\$9,000,000.00) in any fiscal year, and~~

~~b. any amounts which exceed the limitations of
subparagraph a of this paragraph shall be placed to
the credit of the General Revenue Fund;~~

5. For the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, six one-hundredths percent (0.06%) shall be placed to the credit of the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund, but in no event shall such apportionment exceed the total amount apportioned pursuant to this paragraph for the fiscal year ending on June 30, 2015. Any amounts which exceed the limitations of this paragraph shall be placed to the credit of the General Revenue Fund; and

6. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned

1 pursuant to paragraph 3 of this subsection, and for each fiscal year
2 thereafter, in no event shall monies apportioned pursuant to
3 paragraph 3 of this subsection, paragraph 3 of Section 1403 of this
4 title and subparagraph c of paragraph 1 of Section 2352 of this
5 title be less than such baseline amount.

6 B. Provided, for the fiscal year beginning July 1, 2007, and
7 every fiscal year thereafter, an amount of revenue shall be
8 apportioned to each municipality or county which levies a sales tax
9 subject to the provisions of Section 1357.10 of this title and
10 subsection F of Section 2701 of this title equal to the amount of
11 sales tax revenue of such municipality or county exempted by the
12 provisions of Section 1357.10 of this title and subsection F of
13 Section 2701 of this title. The Oklahoma Tax Commission shall
14 promulgate and adopt rules necessary to implement the provisions of
15 this subsection.

16 C. From the monies that would otherwise be apportioned to the
17 General Revenue Fund pursuant to subsection A of this section, there
18 shall be apportioned the following amounts:

19 1. For the month ending August 31, 2019:

20 a. Nine Million Six Hundred Thousand Dollars
21 (\$9,600,000.00) to the credit of the State Highway
22 Construction and Maintenance Fund created in Section
23 1501 of Title 69 of the Oklahoma Statutes, and
24

1 b. Two Million Dollars (\$2,000,000.00) to the credit of
2 the Oklahoma Railroad Maintenance Revolving Fund
3 created in Section 309 of Title 66 of the Oklahoma
4 Statutes;

5 2. For the month ending September 30, 2019:

6 a. Twenty Million Dollars (\$20,000,000.00) to the credit
7 of the State Highway Construction and Maintenance Fund
8 created in Section 1501 of Title 69 of the Oklahoma
9 Statutes, and

10 b. Two Million Dollars (\$2,000,000.00) to the credit of
11 the Oklahoma Railroad Maintenance Revolving Fund
12 created in Section 309 of Title 66 of the Oklahoma
13 Statutes;

14 3. For the month ending October 31, 2019:

15 a. Twenty Million Dollars (\$20,000,000.00) to the credit
16 of the State Highway Construction and Maintenance Fund
17 created in Section 1501 of Title 69 of the Oklahoma
18 Statutes, and

19 b. Two Million Dollars (\$2,000,000.00) to the credit of
20 the Oklahoma Railroad Maintenance Revolving Fund
21 created in Section 309 of Title 66 of the Oklahoma
22 Statutes;

23 4. For the month ending November 30, 2019:

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- a. Twenty Million Dollars (\$20,000,000.00) to the credit of the State Highway Construction and Maintenance Fund created in Section 1501 of Title 69 of the Oklahoma Statutes, and
- b. Two Million Dollars (\$2,000,000.00) to the credit of the Oklahoma Railroad Maintenance Revolving Fund created in Section 309 of Title 66 of the Oklahoma Statutes; and

5. For the month ending December 31, 2019:

- a. Twenty Million Dollars (\$20,000,000.00) to the credit of the State Highway Construction and Maintenance Fund created in Section 1501 of Title 69 of the Oklahoma Statutes, and
- b. Two Million Dollars (\$2,000,000.00) to the credit of the Oklahoma Railroad Maintenance Revolving Fund created in Section 309 of Title 66 of the Oklahoma Statutes.

SECTION 2. AMENDATORY 68 O.S. 2011, Section 1403, as last amended by Section 9, Chapter 17, 2nd Extraordinary Session, O.S.L. 2018 (68 O.S. Supp. 2019, Section 1403), is amended to read as follows:

Section 1403. A. It is hereby declared to be the purpose of Section 1401 et seq. of this title to provide for the support of the functions of the state and local government of Oklahoma; and for

1 this purpose and to this end, it is hereby expressly provided that
2 the revenues derived hereunder, subject to the apportionment
3 provided in subsection B of this section and to the apportionment
4 requirements for the Oklahoma Tax Commission and Office of
5 Management and Enterprise Services Joint Computer Enhancement Fund
6 provided by Section 265 of this title, are hereby apportioned as
7 follows:

- 8 1. a. the following amounts shall be paid by the Tax
9 Commission to the State Treasurer and placed to the
10 credit of the General Revenue Fund to be paid out
11 pursuant to direct appropriation by the Legislature:

Fiscal Year	Amount
FY 2004	85.35%
FY 2005	85.14%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

- 19 b. in the event that additional monies are necessary
20 pursuant to paragraph 6 of this section, such
21 additional monies shall be deducted in the proportion
22 determined by the State Board of Equalization pursuant
23 to paragraph 3 of Section 2355.1B of this title from
24 the monies apportioned to the General Revenue Fund;

2. Ten and forty-six one-hundredths percent (10.46%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education;

3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

4. ~~a. except as otherwise provided in subparagraph b of this paragraph, for~~ For the fiscal year beginning July 1, 2015 2020, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State Treasurer to be further apportioned as follows:

~~(1)~~ a. thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, ~~but in no event shall such apportionment exceed the total amount~~

~~apportioned pursuant to this division for
the fiscal year ending on June 30, 2015, and
(2) b. sixty-four percent (64%) shall be placed to
the credit of the Oklahoma Tourism Capital
Improvement Revolving Fund, but in no event
shall such apportionment exceed the total
amount apportioned pursuant to this division
for the fiscal year ending on June 30, 2015,
and~~

~~b. any amounts which exceed the limitations of
subparagraph a of this paragraph shall be placed to
the credit of the General Revenue Fund;~~

5. For the fiscal year beginning July 1, 2015, and for each
fiscal year thereafter, six one-hundredths percent (0.06%) shall be
placed to the credit of the Oklahoma Historical Society Capital
Improvement and Operations Revolving Fund, but in no event shall
such apportionment exceed the total amount apportioned pursuant to
this paragraph for the fiscal year ending on June 30, 2015. Any
amounts which exceed the limitations of this paragraph shall be
placed to the credit of the General Revenue Fund; and

6. During the first fiscal year after the State Board of
Equalization has made a determination as provided in Section 2355.1B
of this title, regarding a baseline amount of revenue apportioned
pursuant to paragraph 3 of this section, and for each fiscal year

1 thereafter, in no event shall monies apportioned pursuant to
2 paragraph 3 of this section, paragraph 3 of Section 1353 of this
3 title and subparagraph c of paragraph 1 of Section 2352 of this
4 title be less than such baseline amount.

5 B. Prior to the apportionments otherwise provided in this
6 section, there shall be apportioned to the Education Reform
7 Revolving Fund of the State Department of Education the following
8 amounts in the following state fiscal years:

9 FY 2019 \$19,600,000.00; and

10 FY 2020 and each year thereafter \$20,500,000.00.

11 SECTION 3. This act shall become effective July 1, 2020.

12 SECTION 4. 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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