

1 ENGROSSED HOUSE
2 BILL NO. 1060

By: Boles, Davis, Hill and
Moore of the House

3 and

4 Paxton of the Senate

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8 [revenue and taxation - sales tax - exemptions for
9 corporations and partnerships - effective date]
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12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1360, is
14 amended to read as follows:

15 Section 1360. Exemptions - Corporations - Partnerships.

16 There are hereby specifically exempted from the tax levied in
17 ~~this article~~ Section 1350 et seq. of this title:

18 1. The transfer of tangible personal property, as follows:

19 a. from one corporation to another corporation pursuant
20 to a reorganization. As used in this subparagraph the
21 term "reorganization" means a statutory merger or
22 consolidation or the acquisition by a corporation of
23 substantially all of the properties of another
24 corporation when the consideration is solely all or a

1 part of the voting stock of the acquiring corporation,
2 or of its parent or subsidiary corporation,

3 b. between wholly owned subsidiaries of a parent company
4 and between a parent company and its wholly owned
5 subsidiary,

6 c. in connection with the winding up, dissolution or
7 liquidation of a corporation only when there is a
8 distribution in kind to the shareholders of the
9 property of such corporation,

10 ~~e.~~ d. to a corporation for the purpose of organization of
11 such corporation where the former owners of the
12 property transferred are immediately after the
13 transfer in control of the corporation, and the value
14 of the stock or securities received by each is
15 substantially in proportion to the value of such
16 person's interest in the property transferred by all
17 the former owners,

18 ~~d.~~ e. to a partnership in the organization of such
19 partnership if the former owners of the property
20 transferred are, immediately after the transfer,
21 members of such partnership and the value of the
22 interest in the partnership, received by each, is
23 substantially in proportion to the value of such
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1 person's interest in the property transferred by all
2 former owners,
3 ~~e.~~ f. from a partnership to the members thereof when made in
4 kind in the dissolution of such partnership,
5 ~~f.~~ g. to a limited liability company in the organization of
6 the limited liability company if the former owners of
7 the property transferred are, immediately after the
8 transfer, members of the limited liability company and
9 the value of the interest in the limited liability
10 company received by each is substantially in
11 proportion to the value of the interest in the
12 property transferred by all the former owners, and
13 ~~g.~~ h. from a limited liability company to the members
14 thereof when made in kind in the dissolution of the
15 limited liability company; and

16 2. Sale of an interest in tangible personal property to a
17 partner or other person who after such sale owns a joint interest in
18 such tangible personal property where the Oklahoma Sales or Use Tax
19 has previously been paid on such tangible personal property.

20 SECTION 2. This act shall become effective November 1, 2021.
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1 Passed the House of Representatives the 8th day of March, 2021.

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4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2021.

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8 Presiding Officer of the Senate