

1 STATE OF OKLAHOMA

2 2nd Session of the 58th Legislature (2022)

3 SENATE BILL 1476

By: Bullard

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5
6 AS INTRODUCED

7 An Act relating to sales tax exemption; providing
8 exemption on certain portion of the purchase of heavy
9 machinery; requiring sale within certain period of
10 purchase; requiring exemption to be in the form of a
11 refund; authorizing purchaser to apply for refund
12 within certain period; requiring the Oklahoma Tax
Commission to prescribe certain form; requiring
13 applicant to provide proof of purchase pursuant to
14 promulgated rules; defining terms; requiring the Tax
Commission to promulgate rules; providing for
15 codification; and providing an effective date.

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

17 SECTION 1. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 1357.11 of Title 68, unless
19 there is created a duplication in numbering, reads as follows:

20 A. There are exempt from the taxes imposed by Section 1351 et
21 seq. of Title 68 of the Oklahoma Statutes on the purchase of heavy
22 machinery in this state, a portion of the gross receipts equal in
value to the recent sale of similar used heavy machinery.

23 B. To receive the exemption provided in subsection A of this
24 section, the sale of similar used heavy machinery shall have

1 occurred within six (6) months of the date of purchase of heavy
2 machinery.

3 C. The exemption authorized by this paragraph shall be
4 administered in the form of a refund from the sales tax revenues
5 apportioned pursuant to Section 1353 of this title, and the vendor
6 shall be required to collect the sales tax otherwise applicable to
7 the transaction. The purchaser may apply for a refund of the state
8 sales tax paid in the manner prescribed by this section. Within
9 sixty (60) days after the end of each calendar quarter, any
10 purchaser that is entitled to make application for a refund based
11 upon the exempt treatment authorized by this paragraph may file an
12 application for refund of the state sales taxes paid during the
13 preceding twelve (12) months. The Oklahoma Tax Commission shall
14 prescribe a form for purposes of making the application for refund.

15 D. The applicant shall provide proof of the sale of similar
16 used heavy machinery and purchase of heavy machinery in the form of
17 an invoice or bill of sale, pursuant to rules promulgated by the Tax
18 Commission.

19 E. For the purposes of this section:

20 1. "Heavy machinery" means motorized or mechanical equipment
21 commonly used in the construction or mining industry including, but
22 not limited to, excavators, bulldozers, graders, dump trucks, earth
23 movers, forklifts, and cranes. Heavy machinery shall not include
24 vehicles or trailers required to be registered pursuant to the
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1 Oklahoma Vehicle License And Registration Act, Section 1101 et seq.
2 of Title 47 of the Oklahoma Statutes; and

3 2. "Similar used heavy machinery" means heavy machinery
4 designed to perform the same or similar tasks as the heavy machinery
5 it is compared to for the purposes of obtaining the exemption
6 provided in this section, primarily differing in size, age, power,
7 capability, or advancement of technology.

8 F. The Tax Commission shall promulgate rules to enforce the
9 provisions of this section.

10 SECTION 2. This act shall become effective November 1, 2022.

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