

Bill Summary
1st Session of the 58th Legislature

Bill No.:	HB 2040
Version:	ENGR
Request No.:	
Author:	Sen. Leewright
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Bill Analysis

HB 2040 creates a sales tax exemption for the sale, lease, rental, storage, use, or other consumption of qualifying broadband equipment by providers of Internet service or subsidiaries if the property is directly used or consumed by the provider or subsidiary in or during the distribution of broadband Internet service. The exemption shall be administered as a rebate and shall not exceed \$20 million, but the allocation of this amount shall be made using an incentive award formula as enacted into law by the Legislature after recommendation by the Rural Broadband Expansion Council. Of that amount, \$15 million shall be reserved for eligible projects serving counties having a population density of fewer than 100 persons per square mile and \$5 million for projects serving counties with a population density of more than 100 persons per square mile. The Oklahoma Department of Commerce and the Rural Broadband Expansion Council are directed to use information provided by the Oklahoma Tax Commission to prepare a report to identify the qualifying rural broadband projects completed with the equipment purchased together with the location of the equipment and the geographic areas served as a result of the equipment purchases no later than December 1, 2023.

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