

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB1348 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by
inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Scott Fetgatter

Adopted: _____

Reading Clerk

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

PROPOSED COMMITTEE
SUBSTITUTE
FOR
HOUSE BILL NO. 1348

By: Fetgatter

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to heavy equipment rentals; defining terms; authorizing imposition of recovery fee with respect to heavy equipment; requiring retention of fee; specifying purpose of fee; providing certain transactions exempt from fee requirement; requiring report to Oklahoma Tax Commission related to payment of personal property taxes; providing for payment of certain fee amount to General Revenue Fund; prohibiting imposition of sales tax on recovery fee amounts; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2807.10 of Title 68, unless there is created a duplication in numbering, reads as follows:

As used in this act:

1. "Heavy equipment property" includes all rental property owned or held by a rental business classified under Industry Code No. "532412" or "532310" of the 2017 North American Industry Classification System as published by the United States Bureau of the Census;

1 2. "Primarily" means more than fifty-one percent (51%) of the
2 annual revenue of the business is derived from the rental of
3 personal property; and

4 3. "Rental charge" is defined as the charge of the rental and
5 does not include any other costs such as pickup and delivery, fuel
6 or damage waiver.

7 SECTION 2. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 2807.11 of Title 68, unless
9 there is created a duplication in numbering, reads as follows:

10 A. Except as provided in subsection B of this section, a
11 company primarily in the business of renting heavy equipment
12 property located in this state may include as a separate line item
13 on the rental invoice a recovery fee of one and one-quarter percent
14 (1.25%) on the rental charge from any item of heavy equipment
15 property rental by a customer. The total amount of the recovery fee
16 shall be retained by the business for the purposes of paying
17 personal property taxes levied by all taxing jurisdictions against
18 the heavy equipment property located in the state.

19 B. Notwithstanding the provisions of subsection A of this
20 section, the recovery fee provided in this section shall not apply
21 to the rental of heavy equipment property to the federal government,
22 any federally recognized Indian tribe, or the State of Oklahoma, any
23 municipality or any county. There shall not be any other exemptions
24 from the recovery fee.

1 SECTION 3. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2807.12 of Title 68, unless
3 there is created a duplication in numbering, reads as follows:

4 The recovery fee shall not be subject to state or local sales
5 tax.

6 SECTION 4. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 2807.13 of Title 68, unless
8 there is created a duplication in numbering, reads as follows:

9 Annually, on or before February 15 each rental business that
10 collects the equipment rental recovery fee shall be required to
11 submit to the Tax Commission a consolidated report showing the
12 aggregated personal property taxes paid in the state during the
13 previous calendar year and the aggregated recovery collections in
14 the state. If the aggregated recovery collections in the state
15 exceed the aggregated taxes paid in the state, the excess shall be
16 paid to the General Revenue Fund.

17 SECTION 5. This act shall become effective July 1, 2023.

18 SECTION 6. It being immediately necessary for the preservation
19 of the public peace, health or safety, an emergency is hereby
20 declared to exist, by reason whereof this act shall take effect and
21 be in full force from and after its passage and approval.

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23 59-1-7365 MAH 02/14/23
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