

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

SENATE BILL 478

By: Paxton

AS INTRODUCED

An Act relating to sales tax exemption; providing exemption for the occasional sale of certain property; defining terms; providing for codification; and providing an effective date.

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 1357.11 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. The occasional sale of tangible personal property is hereby exempt from the tax levied by Section 1350 et seq. of Title 68 of the Oklahoma Statutes.

B. As used in this section:

1. "Nonrecurring sale" means no more than two sales or series of sales of tangible personal property subject to the tax levied by Section 1350 et seq. of Title 68 of the Oklahoma Statutes during a twelve-month period. Provided, the sale of all or substantially all of the property of a business or of a separate division, branch, or identifiable segment of a business shall not be limited to no more

1 than two sales or series of sales during a twelve-month period to be
2 considered a nonrecurring sale;

3 2. "Occasional sale" means a nonrecurring sale and:

4 a. shall include:

5 (1) sales by an individual who, at the time of the
6 sale, is not engaged in the business of selling
7 tangible personal property,

8 (2) the sale of all or substantially all of the
9 property of a business or of a separate division,
10 branch, or identifiable segment of a business. A
11 separate division, branch, or identifiable
12 segment of a business shall exist if before the
13 sale of property the income and expenses
14 attributable to the separate division, branch, or
15 identifiable segment could be ascertained from a
16 record utilizing generally accepted accounting
17 principles or another comprehensive basis of
18 accounting, and

19 (3) sales by an individual if the property was
20 originally purchased by the individual or a
21 member of the individual's family for the
22 personal use of the individual or individual's
23 family, and if:
24

1 (a) the individual does not possess a sales tax
2 permit issued pursuant to Section 1364 of
3 Title 68 of the Oklahoma Statutes, and

4 (b) the individual is not a "marketplace seller"
5 as defined in Section 1391 of Title 68 of
6 the Oklahoma Statutes, and

7 b. shall not include:

8 (1) any sale that is made, supervised, or aided by an
9 auctioneer, or agent or employee of an
10 auctioneer,

11 (2) sellers of tangible personal property held on
12 consignment,

13 (3) the rental or lease of tangible personal
14 property, and

15 (4) the sale of motor vehicles; and

16 3. "Series of sales" means any multiple sales of tangible
17 personal property, for a limited duration not to exceed thirty (30)
18 consecutive days. Each individual sale of the multiple sales shall
19 meet the definition of occasional sale as provided in this
20 subsection.

21 SECTION 2. This act shall become effective November 1, 2023.

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