

1
2 STATE OF OKLAHOMA

3 1st Session of the 60th Legislature (2025)

4 SENATE BILL 232

By: Rader

5
6 AS INTRODUCED

7 An Act relating to sales tax; amending 68 O.S. 2021,
8 Section 1357, as last amended by Section 4, Chapter
9 363, O.S.L. 2024 (68 O.S. Supp. 2024, Section 1357),
10 which relates to exemptions; modifying certain
11 exemption for certain media production; providing
12 exemption for construction of qualified media
13 production facility; defining terms; requiring the
14 Oklahoma Film and Music Office to accept certain
15 applications upon nomination; stipulating criteria
16 for approval; authorizing certain local governments
17 to nominate a qualified media production location;
18 requiring nomination of county under certain
19 circumstance; limiting exemption to certain period;
20 requiring notification of the Oklahoma Tax Commission
21 upon approval; limiting amount of qualified media
22 production facility designations; authorizing the
23 promulgation of rules; providing for codification;
24 and providing an effective date.

17
18 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

19 SECTION 1. AMENDATORY 68 O.S. 2021, Section 1357, as
20 last amended by Section 4, Chapter 363, O.S.L. 2024 (68 O.S. Supp.
21 2024, Section 1357), is amended to read as follows:

22 Section 1357. Exemptions - General. There are hereby
23 specifically exempted from the tax levied by the Oklahoma Sales Tax
24 Code:

- 1 1. Transportation of school pupils to and from elementary
2 schools or high schools in motor or other vehicles;
- 3 2. Transportation of persons where the fare of each person does
4 not exceed One Dollar (\$1.00), or local transportation of persons
5 within the corporate limits of a municipality except by taxicabs;
- 6 3. Sales for resale to persons engaged in the business of
7 reselling the articles purchased, whether within or without the
8 state, provided that such sales to residents of this state are made
9 to persons to whom sales tax permits have been issued as provided in
10 the Oklahoma Sales Tax Code. This exemption shall not apply to the
11 sales of articles made to persons holding permits when such persons
12 purchase items for their use and which they are not regularly
13 engaged in the business of reselling; neither shall this exemption
14 apply to sales of tangible personal property to peddlers, solicitors
15 and other salespersons who do not have an established place of
16 business and a sales tax permit. The exemption provided by this
17 paragraph shall apply to sales of motor fuel or diesel fuel to a
18 Group Five vendor, but the use of such motor fuel or diesel fuel by
19 the Group Five vendor shall not be exempt from the tax levied by the
20 Oklahoma Sales Tax Code. The purchase of motor fuel or diesel fuel
21 is exempt from sales tax when the motor fuel is for shipment outside
22 this state and consumed by a common carrier by rail in the conduct
23 of its business. The sales tax shall apply to the purchase of motor
24 fuel or diesel fuel in Oklahoma by a common carrier by rail when

1 such motor fuel is purchased for fueling, within this state, of any
2 locomotive or other motorized flanged wheel equipment;

3 4. Sales of advertising space in newspapers and periodicals;

4 5. Sales of programs relating to sporting and entertainment
5 events, and sales of advertising on billboards (including signage,
6 posters, panels, marquees or on other similar surfaces, whether
7 indoors or outdoors) or in programs relating to sporting and
8 entertainment events, and sales of any advertising, to be displayed
9 at or in connection with a sporting event, via the Internet,
10 electronic display devices or through public address or broadcast
11 systems. The exemption authorized by this paragraph shall be
12 effective for all sales made on or after January 1, 2001;

13 6. Sales of any advertising, other than the advertising
14 described by paragraph 5 of this section, via the Internet,
15 electronic display devices or through the electronic media including
16 radio, public address or broadcast systems, television (whether
17 through closed circuit broadcasting systems or otherwise), and cable
18 and satellite television, and the servicing of any advertising
19 devices;

20 7. Eggs, feed, supplies, machinery, and equipment purchased by
21 persons regularly engaged in the business of raising worms, fish,
22 any insect, or any other form of terrestrial or aquatic animal life
23 and used for the purpose of raising same for marketing. This
24 exemption shall only be granted and extended to the purchaser when

1 the items are to be used and in fact are used in the raising of
2 animal life as set out above. Each purchaser shall certify, in
3 writing, on the invoice or sales ticket retained by the vendor that
4 the purchaser is regularly engaged in the business of raising such
5 animal life and that the items purchased will be used only in such
6 business. The vendor shall certify to the Oklahoma Tax Commission
7 that the price of the items has been reduced to grant the full
8 benefit of the exemption. Violation hereof by the purchaser or
9 vendor shall be a misdemeanor;

10 8. Sale of natural or artificial gas and electricity, and
11 associated delivery or transmission services, when sold exclusively
12 for residential use. Provided, this exemption shall not apply to
13 any sales tax levied by a city or town, or a county or any other
14 jurisdiction in this state;

15 9. In addition to the exemptions authorized by Section 1357.6
16 of this title, sales of drugs sold pursuant to a prescription
17 written for the treatment of human beings by a person licensed to
18 prescribe the drugs, and sales of insulin and medical oxygen.
19 Provided, this exemption shall not apply to over-the-counter drugs;

20 10. Transfers of title or possession of empty, partially
21 filled, or filled returnable oil and chemical drums to any person
22 who is not regularly engaged in the business of selling, reselling
23 or otherwise transferring empty, partially filled or filled
24 returnable oil drums;

1 11. Sales of one-way utensils, paper napkins, paper cups,
2 disposable hot containers, and other one-way carry out materials to
3 a vendor of meals or beverages;

4 12. Sales of food or food products for home consumption which
5 are purchased in whole or in part with coupons issued pursuant to
6 the federal food stamp program as authorized by Sections 2011
7 through ~~2029~~ 2036d of Title 7 of the United States Code, as to that
8 portion purchased with such coupons. The exemption provided for
9 such sales shall be inapplicable to such sales upon the effective
10 date of any federal law that removes the requirement of the
11 exemption as a condition for participation by the state in the
12 federal food stamp program;

13 13. Sales of food or food products, or any equipment or
14 supplies used in the preparation of the food or food products to or
15 by an organization which:

16 a. is exempt from taxation pursuant to the provisions of
17 Section 501(c)(3) of the Internal Revenue Code of
18 1986, as amended, 26 U.S.C., Section 501(c)(3), and
19 which provides and delivers prepared meals for home
20 consumption to elderly or homebound persons as part of
21 a program commonly known as "Meals on Wheels" or
22 "Mobile Meals", or

23 b. is exempt from taxation pursuant to the provisions of
24 Section 501(c)(3) of the Internal Revenue Code of
25

1 1986, as amended, 26 U.S.C., Section 501(c)(3), and
2 which receives federal funding pursuant to the Older
3 Americans Act of 1965, as amended, for the purpose of
4 providing nutrition programs for the care and benefit
5 of elderly persons;

6 14. a. Sales of tangible personal property or services to or
7 by organizations which are exempt from taxation
8 pursuant to the provisions of Section 501(c)(3) of the
9 Internal Revenue Code of 1986, as amended, 26 U.S.C.,
10 Section 501(c)(3), and:

11 (1) are primarily involved in the collection and
12 distribution of food and other household products
13 to other organizations that facilitate the
14 distribution of such products to the needy and
15 such distributee organizations are exempt from
16 taxation pursuant to the provisions of Section
17 501(c)(3) of the Internal Revenue Code of 1986,
18 as amended, 26 U.S.C., Section 501(c)(3), or

19 (2) facilitate the distribution of such products to
20 the needy.

21 b. Sales made in the course of business for profit or
22 savings, competing with other persons engaged in the
23 same or similar business shall not be exempt under
24 this paragraph;

1 15. Sales of tangible personal property or services to
2 children's homes which are located on church-owned property and are
3 operated by organizations exempt from taxation pursuant to the
4 provisions of the Internal Revenue Code of 1986, as amended, 26
5 U.S.C., Section 501(c)(3);

6 16. Sales of computers, data processing equipment, related
7 peripherals, and telephone, telegraph or telecommunications service
8 and equipment for use in a qualified aircraft maintenance or
9 manufacturing facility. For purposes of this paragraph, "qualified
10 aircraft maintenance or manufacturing facility" means a new or
11 expanding facility primarily engaged in aircraft repair, building or
12 rebuilding, whether or not on a factory basis, whose total cost of
13 construction exceeds the sum of Five Million Dollars (\$5,000,000.00)
14 and which employs at least two hundred fifty ~~(250)~~ new full-time-
15 equivalent employees, as certified by the Oklahoma Employment
16 Security Commission, upon completion of the facility. In order to
17 qualify for the exemption provided for by this paragraph, the cost
18 of the items purchased by the qualified aircraft maintenance or
19 manufacturing facility shall equal or exceed the sum of Two Million
20 Dollars (\$2,000,000.00);

21 17. Sales of tangible personal property consumed or
22 incorporated in the construction or expansion of a qualified
23 aircraft maintenance or manufacturing facility as defined in
24 paragraph 16 of this section. For purposes of this paragraph, sales

1 made to a contractor or subcontractor that has previously entered
2 into a contractual relationship with a qualified aircraft
3 maintenance or manufacturing facility for construction or expansion
4 of such a facility shall be considered sales made to a qualified
5 aircraft maintenance or manufacturing facility;

6 18. Sales of the following telecommunications services:

7 a. ~~Interstate interstate and International "800 service"~~
8 international 800 service. "800 service" means a
9 telecommunications service that allows a caller to
10 dial a toll-free number without incurring a charge for
11 the call. The service is typically marketed under the
12 name "800", "855", "866", "877" and "888" toll-free
13 calling, and any subsequent numbers designated by the
14 Federal Communications Commission,

15 b. ~~Interstate interstate and International "900 service"~~
16 international 900 service. "900 service" means an
17 inbound toll telecommunications service purchased by a
18 subscriber that allows the subscriber's customers to
19 call in to the subscriber's prerecorded announcement
20 or live service. 900 service does not include the
21 charge for: collection services provided by the
22 seller of the telecommunications services to the
23 subscriber, or service or product sold by the
24 subscriber to the subscriber's customer. The service

1 is typically marketed under the name "900" service,
2 and any subsequent numbers designated by the Federal
3 Communications Commission,

4 c. ~~Interstate interstate and International "private~~
5 ~~communications service"~~ international private
6 communications service. "Private communications
7 service" means a telecommunications service that
8 entitles the customer to exclusive or priority use of
9 a communications channel or group of channels between
10 or among termination points, regardless of the manner
11 in which such channel or channels are connected, and
12 includes switching capacity, extension lines, stations
13 and any other associated services that are provided in
14 connection with the use of such channel or channels,

15 d. ~~"Value-added nonvoice data service"~~ value-added
16 nonvoice data service. "Value-added nonvoice data
17 service" means a service that otherwise meets the
18 definition of telecommunications services in which
19 computer processing applications are used to act on
20 the form, content, code or protocol of the information
21 or data primarily for a purpose other than
22 transmission, conveyance, or routing,

23 e. ~~Interstate interstate and International~~ international
24 telecommunications service which is:

1 (1) rendered by a company for private use within its
2 organization, or

3 (2) used, allocated or distributed by a company to
4 its affiliated group,

5 f. ~~Regulatory~~ regulatory assessments and charges
6 including charges to fund the Oklahoma Universal
7 Service Fund, the Oklahoma Lifeline Fund and the
8 Oklahoma High Cost Fund, and

9 g. ~~Telecommunications~~ telecommunications nonrecurring
10 charges including but not limited to the installation,
11 connection, change, or initiation of
12 telecommunications services which are not associated
13 with a retail consumer sale;

14 19. Sales of railroad track spikes manufactured and sold for
15 use in this state in the construction or repair of railroad tracks,
16 switches, sidings, and turnouts;

17 20. Sales of aircraft and aircraft parts provided such sales
18 occur at a qualified aircraft maintenance facility. As used in this
19 paragraph, "qualified aircraft maintenance facility" means a
20 facility operated by an air common carrier including one or more
21 component overhaul support buildings or structures in an area owned,
22 leased, or controlled by the air common carrier, at which there were
23 employed at least two thousand ~~(2,000)~~ full-time-equivalent
24 employees in the preceding year as certified by the Oklahoma

1 Employment Security Commission and which is primarily related to the
2 fabrication, repair, alteration, modification, refurbishing,
3 maintenance, building, or rebuilding of commercial aircraft or
4 aircraft parts used in air common carriage. For purposes of this
5 paragraph, "air common carrier" shall also include members of an
6 affiliated group as defined by Section 1504 of the Internal Revenue
7 Code of 1986, as amended, 26 U.S.C., Section 1504. Beginning July
8 1, 2012, the exemption shall include sales of machinery, tools,
9 supplies, equipment, and related tangible personal property and
10 services used or consumed in the repair, remodeling, or maintenance
11 of aircraft, aircraft engines or aircraft component parts which
12 occur at a qualified aircraft maintenance facility;

13 21. Sales of machinery and equipment purchased and used by
14 persons and establishments primarily engaged in computer services
15 and data processing:

16 a. as defined under Industry Group Numbers 7372 and 7373
17 of the Standard Industrial Classification (SIC)
18 Manual, latest version, which derive at least fifty
19 percent (50%) of their annual gross revenues from the
20 sale of a product or service to an out-of-state buyer
21 or consumer, and

22 b. as defined under Industry Group Number 7374 of the SIC
23 Manual, latest version, which derive at least eighty
24 percent (80%) of their annual gross revenues from the

1 sale of a product or service to an out-of-state buyer
2 or consumer.

3 Eligibility for the exemption set out in this paragraph shall be
4 established, subject to review by the Tax Commission, by annually
5 filing an affidavit with the Tax Commission stating that the
6 facility so qualifies and such information as required by the Tax
7 Commission. For purposes of determining whether annual gross
8 revenues are derived from sales to out-of-state buyers or consumers,
9 all sales to the federal government shall be considered to be to an
10 out-of-state buyer or consumer;

11 22. Sales of prosthetic devices to an individual for use by
12 such individual. For purposes of this paragraph, "prosthetic
13 device" shall have the same meaning as provided in Section 1357.6 of
14 this title, but shall not include corrective eye glasses, contact
15 lenses, or hearing aids;

16 23. Sales of tangible personal property or services to a ~~motion~~
17 ~~picture or television production company~~ qualified media production
18 facility, as approved pursuant to Section 2 of this act, to be used
19 or consumed in connection with an ~~eligible production.~~ For purposes
20 ~~of this paragraph, "eligible production" means a documentary,~~
21 ~~special, music video or a television commercial or television~~
22 ~~program that will serve as a pilot for or be a segment of an ongoing~~
23 ~~dramatic or situation comedy series filmed or taped for network or~~
24 ~~national or regional syndication or a feature-length motion picture~~

1 ~~intended for theatrical release or for network or national or~~
2 ~~regional syndication or broadcast~~ the construction, renovation,
3 improvement, or expansion of a media production facility within a
4 qualified media production location. The provisions of this
5 paragraph shall apply to sales occurring on or after ~~July 1, 1996~~
6 the effective date of this act during the exemption period for the
7 qualified media production facility pursuant to Section 2 of this
8 act. ~~In order to qualify for the exemption, the motion picture or~~
9 ~~television production company shall file any documentation and~~
10 ~~information required to be submitted pursuant to rules promulgated~~
11 ~~by the Tax Commission;~~

12 24. Sales of diesel fuel sold for consumption by commercial
13 vessels, barges and other commercial watercraft;

14 25. Sales of tangible personal property or services to tax-
15 exempt independent nonprofit biomedical research foundations that
16 provide educational programs for Oklahoma science students and
17 teachers and to tax-exempt independent nonprofit community blood
18 banks headquartered in this state;

19 26. Effective May 6, 1992, sales of wireless telecommunications
20 equipment to a vendor who subsequently transfers the equipment at no
21 charge or for a discounted charge to a consumer as part of a
22 promotional package or as an inducement to commence or continue a
23 contract for wireless telecommunications services;

1 27. Effective January 1, 1991, leases of rail transportation
2 cars to haul coal to coal-fired plants located in this state which
3 generate electric power;

4 28. Beginning July 1, 2005, sales of aircraft engine repairs,
5 modification, and replacement parts, sales of aircraft frame repairs
6 and modification, aircraft interior modification, and paint, and
7 sales of services employed in the repair, modification, and
8 replacement of parts of aircraft engines, aircraft frame and
9 interior repair and modification, and paint;

10 29. Sales of materials and supplies to the owner or operator of
11 a ship, motor vessel, or barge that is used in interstate or
12 international commerce if the materials and supplies:

13 a. are loaded on the ship, motor vessel, or barge and
14 used in the maintenance and operation of the ship,
15 motor vessel, or barge, or

16 b. enter into and become component parts of the ship,
17 motor vessel, or barge;

18 30. Sales of tangible personal property made at estate sales at
19 which such property is offered for sale on the premises of the
20 former residence of the decedent by a person who is not required to
21 be licensed pursuant to the Transient Merchant Licensing Act, or who
22 is not otherwise required to obtain a sales tax permit for the sale
23 of such property pursuant to the provisions of Section 1364 of this
24 title; provided:

- a. such sale or event may not be held for a period exceeding three (3) consecutive days,
- b. the sale must be conducted within six (6) months of the date of death of the decedent, and
- c. the exemption allowed by this paragraph shall not be allowed for property that was not part of the decedent's estate;

31. Beginning January 1, 2004, sales of electricity and associated delivery and transmission services, when sold exclusively for use by an oil and gas operator for reservoir dewatering projects and associated operations commencing on or after July 1, 2003, in which the initial water-to-oil ratio is greater than or equal to five-to-one water-to-oil, and such oil and gas development projects have been classified by the Corporation Commission as a reservoir dewatering unit;

32. Sales of prewritten computer software that is delivered electronically. For purposes of this paragraph, "delivered electronically" means delivered to the purchaser by means other than tangible storage media;

33. Sales of modular dwelling units when built at a production facility and moved in whole or in parts, to be assembled on-site, and permanently affixed to the real property and used for residential or commercial purposes. The exemption provided by this paragraph shall equal forty-five percent (45%) of the total sales

1 price of the modular dwelling unit. For purposes of this paragraph,
2 "modular dwelling unit" means a structure that is not subject to the
3 motor vehicle excise tax imposed pursuant to Section 2103 of this
4 title;

5 34. Sales of tangible personal property or services to:

6 a. persons who are residents of Oklahoma and have been
7 honorably discharged from active service in any branch
8 of the Armed Forces of the United States or Oklahoma
9 National Guard and who have been certified by the
10 United States Department of Veterans Affairs or its
11 successor to be in receipt of disability compensation
12 at the one-hundred-percent rate and the disability
13 shall be permanent and have been sustained through
14 military action or accident or resulting from disease
15 contracted while in such active service and registered
16 with the veterans registry created by the Oklahoma
17 Department of Veterans Affairs, or

18 b. the surviving spouse of the person in subparagraph a
19 of this paragraph if the person is deceased and the
20 spouse has not remarried and the surviving spouse of a
21 person who is determined by the United States
22 Department of Defense or any branch of the United
23 States military to have died while in the line of duty
24 if the spouse has not remarried. Sales for the

1 benefit of an eligible person to a spouse of the
2 eligible person or to a member of the household in
3 which the eligible person resides and who is
4 authorized to make purchases on the person's behalf,
5 when such eligible person is not present at the sale,
6 shall also be exempt for purposes of this paragraph.
7 The Oklahoma Tax Commission shall issue a separate
8 exemption card to a spouse of an eligible person or to
9 a member of the household in which the eligible person
10 resides who is authorized to make purchases on the
11 person's behalf, if requested by the eligible person.
12 Sales qualifying for the exemption authorized by this
13 paragraph shall not exceed Twenty-five Thousand
14 Dollars (\$25,000.00) per year per individual while the
15 disabled veteran is living. Sales qualifying for the
16 exemption authorized by this paragraph shall not
17 exceed One Thousand Dollars (\$1,000.00) per year for
18 an unremarried surviving spouse. Upon request of the
19 Tax Commission, a person asserting or claiming the
20 exemption authorized by this paragraph shall provide a
21 statement, executed under oath, that the total sales
22 amounts for which the exemption is applicable have not
23 exceeded Twenty-five Thousand Dollars (\$25,000.00) per
24 year per living disabled veteran or One Thousand

1 Dollars (\$1,000.00) per year for an unremarried
2 surviving spouse. If the amount of such exempt sales
3 exceeds such amount, the sales tax in excess of the
4 authorized amount shall be treated as a direct sales
5 tax liability and may be recovered by the Tax
6 Commission in the same manner provided by law for
7 other taxes including penalty and interest. The Tax
8 Commission shall promulgate any rules necessary to
9 implement the provisions of this paragraph, which
10 shall include rules providing for the disclosure of
11 information about persons eligible for the exemption
12 authorized in this paragraph to the Oklahoma
13 Department of Veterans Affairs, as authorized in
14 Section 205 of this title. For purposes of the
15 exemption authorized by this subparagraph, if the
16 disability determination that would have been made
17 while the disabled veteran was still living is not
18 made final until after the death of the disabled
19 veteran, the exemption authorized by this subparagraph
20 may still be claimed by the surviving spouse;

21 35. Sales of electricity to the operator, specifically
22 designated by the Corporation Commission, of a spacing unit or lease
23 from which oil is produced or attempted to be produced using
24 enhanced recovery methods including, but not limited to, increased

1 pressure in a producing formation through the use of water or
2 saltwater if the electrical usage is associated with and necessary
3 for the operation of equipment required to inject or circulate
4 fluids in a producing formation for the purpose of forcing oil or
5 petroleum into a wellbore for eventual recovery and production from
6 the wellhead. In order to be eligible for the sales tax exemption
7 authorized by this paragraph, the total content of oil recovered
8 after the use of enhanced recovery methods shall not exceed one
9 percent (1%) by volume. The exemption authorized by this paragraph
10 shall be applicable only to the state sales tax rate and shall not
11 be applicable to any county or municipal sales tax rate;

12 36. Sales of intrastate charter and tour bus transportation.
13 As used in this paragraph, "intrastate charter and tour bus
14 transportation" means the transportation of persons from one
15 location in this state to another location in this state in a motor
16 vehicle which has been constructed in such a manner that it may
17 lawfully carry more than eighteen persons, and which is ordinarily
18 used or rented to carry persons for compensation. Provided, this
19 exemption shall not apply to regularly scheduled bus transportation
20 for the general public;

21 37. Sales of vitamins, minerals, and dietary supplements by a
22 licensed chiropractor to a person who is the patient of such
23 chiropractor at the physical location where the chiropractor
24 provides chiropractic care or services to such patient. The

1 provisions of this paragraph shall not be applicable to any drug,
2 medicine, or substance for which a prescription by a licensed
3 physician is required;

4 38. Sales of goods, wares, merchandise, tangible personal
5 property, machinery, and equipment to a web search portal located in
6 this state which derives at least eighty percent (80%) of its annual
7 gross revenue from the sale of a product or service to an out-of-
8 state buyer or consumer. For purposes of this paragraph, "web
9 search portal" means an establishment classified under ~~NAICS~~ North
10 American Industry Classification System (NAICS) code 519130 which
11 operates websites that use a search engine to generate and maintain
12 extensive databases of Internet addresses and content in an easily
13 searchable format;

14 39. Sales of tangible personal property consumed or
15 incorporated in the construction or expansion of a facility for a
16 corporation organized under Section 437 et seq. of Title 18 of the
17 Oklahoma Statutes as a rural electric cooperative. For purposes of
18 this paragraph, sales made to a contractor or subcontractor that has
19 previously entered into a contractual relationship with a rural
20 electric cooperative for construction or expansion of a facility
21 shall be considered sales made to a rural electric cooperative;

22 40. Sales of tangible personal property or services to a
23 business primarily engaged in the repair of consumer electronic
24 goods including, but not limited to, cell phones, compact disc
25

1 players, personal computers, MP3 players, digital devices for the
2 storage and retrieval of information through hard-wired or wireless
3 computer or Internet connections, if the devices are sold to the
4 business by the original manufacturer of such devices and the
5 devices are repaired, refitted or refurbished for sale by the entity
6 qualifying for the exemption authorized by this paragraph directly
7 to retail consumers or if the devices are sold to another business
8 entity for sale to retail consumers;

9 41. On or after July 1, 2019, and prior to July 1, 2024, sales
10 or leases of rolling stock when sold or leased by the manufacturer,
11 regardless of whether the purchaser is a public services corporation
12 engaged in business as a common carrier of property or passengers by
13 railway, for use or consumption by a common carrier directly in the
14 rendition of public service. For purposes of this paragraph,
15 "rolling stock" means locomotives, autocars, and railroad cars and
16 "sales or leases" includes railroad car maintenance and retrofitting
17 of railroad cars for their further use only on the railways;

18 42. Sales of gold, silver, platinum, palladium, or other
19 bullion items such as coins and bars and legal tender of any nation,
20 which legal tender is sold according to its value as precious metal
21 or as an investment. As used in the paragraph, "bullion" means any
22 precious metal including, but not limited to, gold, silver,
23 platinum, and palladium, that is in such a state or condition that
24 its value depends upon its precious metal content and not its form.

1 The exemption authorized by this paragraph shall not apply to
2 fabricated metals that have been processed or manufactured for
3 artistic use or as jewelry; and

4 43. Recovery fees on the rental charge from any item of heavy
5 equipment property rental as provided for in Section ~~2 of this act~~
6 2807.11 of this title.

7 SECTION 2. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 1357.12 of Title 68, unless
9 there is created a duplication in numbering, reads as follows:

10 A. As used in this section:

11 1. "Media production facility" means a structure, building, and
12 portions of a structure or building exclusively used for the purpose
13 of creating production projects including, but not limited to:

- 14 a. a soundstage and scoring stage,
- 15 b. a production office,
- 16 c. a post-production facility, animation production
17 facility, and a video game production facility,
- 18 d. storage and construction space, and
- 19 e. a sound recording studio and motion picture studio;
- 20 and

21 2. "Production project" means a visual and sound production
22 including a film, television program, commercial, video game, or
23 digital interactive media production.

1 B. The Oklahoma Film and Music Office shall, upon the
2 nomination of a qualified media production location pursuant to
3 subsection D of this section, accept applications to be designated a
4 qualified media production facility.

5 C. Applications shall be approved by the Office according to
6 the following criteria:

7 1. The construction, renovation, improvement, or expansion of a
8 facility or a portion of a facility to be exclusively used as a
9 media production facility;

10 2. The location shall be in an area with an adequate workforce,
11 infrastructure, or resources to support production projects; and

12 3. The construction, renovation, improvement, or expansion of a
13 media production facility shall provide a positive net benefit to
14 the state, as determined by the Office and the Oklahoma Department
15 of Commerce.

16 D. Cities, towns, municipalities, and counties in this state
17 may, upon request by an entity planning to create a media production
18 facility, nominate, by resolution, a qualified media production
19 location. Entities applying for designation as a qualified media
20 production facility pursuant to this section shall receive a
21 nomination by the city, town, or municipality where the facility is
22 to be located and, if the facility is to be located within a county
23 that levies a sales tax pursuant to Section 1370 of Title 68 of the
24

1 Oklahoma Statutes, the nomination of the county where the facility
2 is to be located.

3 E. Designation as a qualified media production facility and
4 qualification for the exemption provided for in paragraph 23 of
5 Section 1357 of Title 68 of the Oklahoma Statutes shall be for a
6 period of two (2) years from the date requested by the applicant and
7 approved by the Office.

8 F. Upon approval of an application, the Office shall notify the
9 Oklahoma Tax Commission of the approval and the period of
10 designation as a qualified media production facility.

11 G. In no event shall there be in excess of five qualified media
12 production facility designations at any time.

13 H. The Oklahoma Department of Commerce and the Oklahoma Tax
14 Commission may promulgate rules to enforce the provisions of this
15 section.

16 SECTION 3. This act shall become effective November 1, 2025.

17
18 60-1-1281 QD 12/30/2024 5:10:28 PM
19
20
21
22
23
24
25