

COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2595 _____
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: Jon Echols

Adopted: _____

Reading Clerk

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

PROPOSED COMMITTEE
SUBSTITUTE
FOR
HOUSE BILL NO. 2595

By: Echols

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to revenue and taxation; providing for rebate of state sales and use tax with respect to sales of certain tangible personal property for cable television, Internet access or telecommunications services; providing for annual cap on rebated amounts; requiring Oklahoma Tax Commission to adopt administrative rules; defining terms; prescribing procedures for filing rebate claims; imposing deadline for payment of rebates; providing for appeals to Oklahoma Tax Commission; requiring reports; 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. There shall be made a refund for state sales and use taxes paid on the sales of tangible personal property used to provide cable television service, Internet access service or telecommunications services as defined in this subsection; provided, such rebate shall be subject to a statewide annual total limit of

1 Ten Million Dollars (\$10,000,000.00). The Oklahoma Tax Commission
2 shall prescribe by rule a process for allocating each taxpayer's pro
3 rata share of the ten-million-dollar limitation. For purposes of
4 this subsection:

5 1. "Cable television service" means the distribution of video
6 programming, with or without the use of wires, to subscribing or
7 paying customers, and the term includes direct broadcast satellite
8 service (DBS), subscription television service (STV), satellite
9 master antenna television service (SMATV), master antenna television
10 service (MATV), multipoint distribution service (MDS), over-the-top
11 video service, multichannel multipoint distribution service (MMDS)
12 and any audio portion of a video program;

13 2. "Internet access service" means:

14 a. a service that enables users to connect to the
15 Internet to access content, information or other
16 services offered over the Internet, and
17 b. includes the purchase, use or sale of
18 telecommunications by a provider of a service
19 described in subparagraph a of this paragraph to the
20 extent that such telecommunications are purchased,
21 used or sold:

22 (1) to provide such service, or
23
24

1 (2) to otherwise enable users to access content,
2 information or other services offered over the
3 Internet; and

4 3. "Telecommunications service" means the electronic
5 transmission, conveyance or routing of voice, data, audio, video or
6 any other information or signals to a point, or between or among
7 points, and the term "telecommunications service" includes, but is
8 not limited to, such transmission, conveyance or routing in which
9 computer processing applications are used to act on the form, code
10 or protocol of the content for purposes of transmission, conveyance
11 or routing without regard to whether such service is referred to as
12 voice over Internet protocol service or is classified by the Federal
13 Communications Commission as enhanced or value-added.

14 B. Requests for rebates must be filed on or before April 1
15 following each year the exempted equipment is purchased. The
16 Oklahoma Tax Commission shall review and issue a rebate on all
17 approved equipment by July 1 of the year a rebate request is made.
18 In the event of a dispute, the taxpayer may appeal the denial of all
19 or a portion of the requested amount to the Oklahoma Tax Commission.

20 C. By July 1 of each year in which a rebate is given, the
21 Oklahoma Tax Commission will file a consolidated report to the
22 Oklahoma Incentive Evaluation Commission summarizing the investments
23 associated with the rebated funds.
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1 D. The Incentive Evaluation Commission shall compile an annual
2 report on the rebates provided by this section that includes the
3 number of taxpayers that claimed the rebate, the aggregate amount of
4 rebates claimed and any other information necessary to evaluate the
5 effectiveness of the rebates.

6 SECTION 2. This act shall become effective January 1, 2020.
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