

1 ENGROSSED SENATE  
2 BILL NO. 1030

By: Paxton of the Senate

3 and

4 Bush of the House

5  
6 [ medical marijuana - codification -  
7 emergency ]

8  
9 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

10 SECTION 1. AMENDATORY 63 O.S. 2011, Section 2-402, as  
11 last amended by Section 3, State Question No. 780, Initiative  
12 Petition No. 404 (63 O.S. Supp. 2018, Section 2-402), is amended to  
13 read as follows:

14 Section 2-402. A. 1. It shall be unlawful for any person  
15 knowingly or intentionally to possess a controlled dangerous  
16 substance unless such substance was obtained directly, or pursuant  
17 to a valid prescription or order from a practitioner, while acting  
18 in the course of his or her professional practice, or except as  
19 otherwise authorized by ~~this act~~ the Uniform Controlled Dangerous  
20 Substances Act.

21 2. It shall be unlawful for any person to purchase any  
22 preparation excepted from the provisions of the Uniform Controlled  
23 Dangerous Substances Act pursuant to Section 2-313 of this title in  
24

1 an amount or within a time interval other than that permitted by  
2 Section 2-313 of this title.

3 3. It shall be unlawful for any person or business to sell,  
4 market, advertise or label any product containing ephedrine, its  
5 salts, optical isomers, or salts of optical isomers, for the  
6 indication of stimulation, mental alertness, weight loss, appetite  
7 control, muscle development, energy or other indication which is not  
8 approved by the pertinent federal OTC Final Monograph, Tentative  
9 Final Monograph, or FDA-approved new drug application or its legal  
10 equivalent. In determining compliance with this requirement, the  
11 following factors shall be considered:

- 12 a. the packaging of the product,
- 13 b. the name of the product, and
- 14 c. the distribution and promotion of the product,  
15 including verbal representations made at the point of  
16 sale.

17 B. Any person who ~~violates~~ is convicted of a violation of this  
18 section is shall be guilty of a misdemeanor punishable by  
19 ~~confinement for~~ imprisonment of not more than one (1) year ~~and or~~ by  
20 a fine not ~~exceeding~~ to exceed One Thousand Dollars (\$1,000.00), or  
21 by both such imprisonment and fine.

22 C. Notwithstanding the provisions of subsection B of this  
23 section, any person who is convicted of possession of one and one-  
24 half (1 1/2) ounces of marijuana or less shall be guilty of a

1 misdemeanor punishable by only a fine not to exceed Four Hundred  
2 Dollars (\$400.00). Any law enforcement officer who comes in contact  
3 with a person in violation of this subsection, and who is satisfied  
4 as to the identity of the person, as well as any other pertinent  
5 information the officer deems necessary, shall issue to the person a  
6 written citation containing a notice to answer the charge against  
7 the person in the appropriate court within ten (10) calendar days  
8 after the alleged violation. Upon receiving the written promise of  
9 the alleged violator to answer as specified in the citation, the  
10 officer shall release the person upon personal recognizance unless  
11 there has been a violation of another provision of law.

12 ~~C.~~ D. Any person convicted of any offense described in this  
13 section shall, in addition to any fine imposed, pay a special  
14 assessment trauma-care fee of One Hundred Dollars (\$100.00) to be  
15 deposited into the Trauma Care Assistance Revolving Fund created in  
16 Section 1-2530.9 of this title.

17 SECTION 2. AMENDATORY Provision No. 1, State Question  
18 No. 788, Initiative Petition No. 412 (63 O.S. Supp. 2018, Section  
19 420), is amended to read as follows:

20 Section 420. A. A person in possession of a state issued  
21 medical marijuana license shall be able to:

- 22 1. Consume marijuana legally;
- 23 2. Legally possess up to three (3) ounces of marijuana on their  
24 person;

- 1 3. Legally possess six (6) mature marijuana plants;
- 2 4. Legally possess six (6) seedling plants;
- 3 5. Legally possess one (1) ounce of concentrated marijuana;
- 4 6. Legally possess seventy-two (72) ounces of edible marijuana;

5 and

6 7. Legally possess up to eight (8) ounces of marijuana in their  
7 residence.

8 B. Possession of up to one and one-half ~~(1.5)~~ (1 1/2) ounces of  
9 marijuana by ~~persons who can state a medical condition~~ a person who  
10 has been issued a state-issued medical marijuana license, but is not  
11 in possession of a state issued medical marijuana license such  
12 license at the time of contact with a law enforcement officer, shall  
13 constitute a ~~misdemeanor offense with a fine not to exceed Four~~  
14 ~~Hundred Dollars (\$400.00)~~ violation of the provisions of subsection  
15 C of Section 2-402 of this title, and an officer shall cite and  
16 release such person in accordance with the provisions set forth  
17 therein. Any person producing proof to the court that a current  
18 state-issued medical marijuana license for the person was valid at  
19 the time of the alleged offense shall be entitled to dismissal of  
20 the charge. If proof of such license is presented to the court by  
21 no later than the business day preceding the first scheduled court  
22 appearance date, the dismissal shall be without payment of court  
23 costs. The court may access information from the medical marijuana  
24 use registry created pursuant to Section 7 of Enrolled House Bill

1 No. 2612 of the 1st Session of the 57th Oklahoma Legislature to  
2 confirm the validity of the license by the twenty-four-character  
3 identifier. The court shall not dismiss the fine unless proof that  
4 the license was valid at the time of the alleged offense is  
5 presented to the court. For purposes of this section, "court" means  
6 any court in this state.

7 C. A regulatory office shall be established under the ~~Oklahoma~~  
8 State Department of Health which ~~will~~ shall receive applications for  
9 medical license recipients, dispensaries, growers, and packagers  
10 within sixty (60) days of the passage of this initiative.

11 D. The ~~Oklahoma~~ State Department of Health shall, within thirty  
12 (30) days of passage of this initiative, make available, on ~~their~~  
13 its website, in an easy to find location, an application for a  
14 medical marijuana license. The license ~~will be good~~ shall be valid  
15 for two (2) years, and the application fee ~~will~~ shall be One Hundred  
16 Dollars (\$100.00), or Twenty Dollars (\$20.00) for individuals on  
17 Medicaid, Medicare, or SoonerCare. The methods of payment ~~will~~  
18 shall be provided on the Department's website.

19 E. A temporary license application ~~will~~ shall also be made  
20 available on the ~~Oklahoma~~ State Department of Health website. A  
21 temporary medical marijuana license ~~will~~ shall be granted to any  
22 medical marijuana license holder from other states, provided that  
23 the state has a state regulated medical marijuana program, and the  
24 applicant can prove they are a member of such program. Temporary

1 licenses ~~will~~ shall be issued for thirty (30) days. The cost for a  
2 temporary license shall be One Hundred Dollars (\$100.00). Renewal  
3 ~~will~~ shall be granted with resubmission of a new application. No  
4 additional criteria ~~will~~ shall be required.

5 F. Medical marijuana license applicants ~~will~~ shall submit their  
6 application to the ~~Oklahoma~~ State Department of Health for approval  
7 ~~and that the applicant must.~~ The applicant shall be an Oklahoma  
8 state resident and shall prove residency by a valid driver's  
9 license, utility bills, or other accepted methods.

10 G. The ~~Oklahoma~~ State Department of Health shall review the  
11 medical marijuana application, ~~approve/reject~~ approve or reject the  
12 application, and mail the applicant's approval or rejection letter  
13 ~~(stating reasons for rejection),~~ stating any reasons for rejection,  
14 to the applicant within fourteen (14) days of receipt of the  
15 application. Approved applicants ~~will~~ shall be issued a medical  
16 marijuana license which ~~will~~ shall act as proof of their approved  
17 status. Applications may only be rejected based on the applicant  
18 not meeting stated criteria or improper completion of the  
19 application.

20 H. The ~~Oklahoma~~ State Department of Health ~~will only keep the~~  
21 ~~following records for each approved medical license:~~

- 22 1. ~~A digital photograph of the license holder;~~
- 23 2. ~~The expiration date of the license;~~
- 24 3. ~~The county where the card was issued; and~~

1       4. ~~A unique 24 character identification number assigned to the~~  
2 ~~license shall retain all information obtained from the application.~~

3       I. The State Department of Health ~~will~~ shall make available,  
4 both on its website, and through a telephone verification system, an  
5 easy method to validate a medical marijuana license ~~holders~~ holder's  
6 authenticity by the unique ~~24-character~~ 24-character identifier.

7       J. The State Department of Health ~~will~~ shall ensure that all  
8 application records and information are sealed to protect the  
9 privacy of medical marijuana license applicants.

10       K. A caregiver license ~~will~~ shall be made available for  
11 qualified caregivers of a medical marijuana license holder who is  
12 homebound. The caregiver license ~~will~~ shall give the caregiver the  
13 same rights as the medical marijuana license holder. Applicants for  
14 a caregiver license ~~will~~ shall submit proof of the medical marijuana  
15 license holder's license status and homebound status, proof that  
16 they are the designee of the medical marijuana license holder, ~~must~~  
17 ~~submit~~ proof that the caregiver is age eighteen (18) or older, and  
18 ~~must submit~~ proof the caregiver is an Oklahoma resident. This ~~will~~  
19 shall be the only criteria for a caregiver license.

20       L. All applicants ~~must~~ shall be eighteen (18) years or older.  
21 A special exception ~~will~~ shall be granted to an applicant under the  
22 age of eighteen (18), however these applications ~~must~~ shall be  
23 signed by two (2) physicians and the applicant's parent or legal  
24 guardian.

1 M. All applications for a medical marijuana license ~~must~~ shall  
2 be signed by an Oklahoma Board certified physician. There are no  
3 qualifying conditions. A medical marijuana license ~~must~~ shall be  
4 recommended according to the accepted standards a reasonable and  
5 prudent physician would follow when recommending or approving any  
6 medication. No physician may be unduly stigmatized or harassed for  
7 signing a medical marijuana license application.

8 N. 1. Counties and cities may enact medical marijuana  
9 guidelines allowing medical marijuana license holders or caregivers  
10 to exceed the state limits set forth in subsection A of this  
11 section.

12 2. Municipalities may pass ordinances to restrict or prohibit  
13 the smoking or vaping of medical marijuana in any or all public  
14 places within city limits. For the purposes of this paragraph,  
15 "public place" means any location which is not private property  
16 including, but not limited to, private property that is accessible  
17 to the general public. Smoking or vaping of medical marijuana shall  
18 be prohibited within fifty (50) feet of a street, alley or sidewalk.

19 SECTION 3. AMENDATORY Provision No. 6, State Question  
20 No. 788, Initiative Petition No. 412 (63 O.S. Supp. 2018, Section  
21 425), is amended to read as follows:

22 Section 425. A. No school or landlord may refuse to enroll or  
23 lease to, as appropriate, and may not otherwise penalize a person  
24 solely for his or her status as a medical marijuana license holder,



1 unless failing to do so would ~~imminently~~ cause the school or  
2 landlord the potential to lose a monetary or licensing related  
3 benefit under federal law or regulations.

4 B. 1. Unless a failure to do so would cause an employer the  
5 potential to ~~imminently~~ lose a monetary or licensing related benefit  
6 under federal law or regulations, an employer may not discriminate  
7 against a person in hiring, termination or imposing any term or  
8 condition of employment or otherwise penalize a person based upon  
9 ~~either:~~

10 ~~1.~~ ~~The~~ the person's status as a medical marijuana license  
11 holder; ~~or,~~ except as provided in Section 8 of Enrolled House Bill  
12 No. 2612 of the 1st Session of the 57th Oklahoma Legislature.

13 2. Employers may take action against a holder of a medical  
14 marijuana license holder if the holder uses or possesses marijuana  
15 while in the holder's place of employment or during the hours of  
16 employment. Employers may not take action against the holder of a  
17 medical marijuana license solely based upon the status of an  
18 employee as a medical marijuana license holder or the results of a  
19 drug test showing positive for marijuana or its components, except  
20 as provided in Section 8 of Enrolled House Bill No. 2612 of the 1st  
21 Session of the 57th Oklahoma Legislature.

22 C. For the purposes of medical care, including organ  
23 transplants, a medical marijuana license holder's authorized use of  
24 marijuana ~~must~~ shall be considered the equivalent of the use of any

1 other medication under the direction of a physician and does not  
2 constitute the use of an illicit substance or otherwise disqualify a  
3 registered qualifying patient from medical care.

4 D. No medical marijuana license holder may be denied custody of  
5 or visitation or parenting time with a minor, and there is no  
6 presumption of neglect or child endangerment for conduct allowed  
7 under this law, unless the person's behavior creates an unreasonable  
8 danger to the safety of the minor.

9 E. No person holding a medical marijuana license may unduly be  
10 withheld from holding a state issued license by virtue of their  
11 being a medical marijuana license holder. ~~This would include such~~  
12 ~~things as~~ including but not limited to a concealed carry permit.

13 F. 1. No city or local municipality may unduly change or  
14 restrict zoning laws to prevent the opening of a retail marijuana  
15 establishment.

16 2. For purposes of this subsection, an undue change or  
17 restriction of municipal zoning laws means an act which entirely  
18 prevents marijuana establishments from operating within municipal  
19 boundaries as a matter of law. Municipalities may follow their  
20 standard planning and zoning procedures to define which zones or  
21 districts would be appropriate for locating medical marijuana  
22 dispensaries, growers and processors.

23 3. For purposes of this section, "retail marijuana  
24 establishment" means an entity licensed by the State Department of

1 Health as a medical marijuana dispensary. Retail marijuana  
2 establishment does not include those entities licensed by the  
3 Department as a grower or processor, or other facilities or  
4 locations where marijuana or any product containing marijuana or its  
5 byproducts is cultivated, grown, processed or manufactured.

6 G. The location of any ~~retail marijuana establishment~~  
7 dispensary is specifically prohibited within one thousand (1,000)  
8 feet ~~from~~ of any public or private school entrance.

9 H. Research ~~will~~ shall be provided for under this law. A  
10 researcher may apply to the ~~Oklahoma~~ State Department of Health for  
11 a special research license. ~~That license will~~ The license shall be  
12 granted, provided the applicant meets the criteria listed under  
13 ~~Section 421.B~~ subsection B of Section 421 of this title. Research  
14 license holders ~~will~~ shall be required to file monthly consumption  
15 reports to the ~~Oklahoma~~ State Department of Health with amounts of  
16 marijuana used for research.

17 SECTION 4. AMENDATORY Provision No. 7, State Question  
18 No. 788, Initiative Petition No. 412 (63 O.S. Supp. 2018, Section  
19 426), is amended to read as follows:

20 Section 426. A. ~~The~~ An excise tax on retail medical marijuana  
21 sales ~~will be established at~~ is hereby levied at the rate of seven  
22 percent (7%) of the gross ~~amount received by the seller~~ purchase  
23 price including cash, credit or other monetary consideration.

24

1 B. ~~This tax will~~ The tax shall be collected at the point of  
2 sale. Tax proceeds ~~will~~ shall be applied primarily to finance the  
3 regulatory office.

4 C. If proceeds from the levy authorized by subsection A of this  
5 section exceed the budgeted amount for running the regulatory  
6 office, any surplus shall be apportioned with seventy-five percent  
7 (75%) going to the General Revenue Fund and may only be expended for  
8 common education. Twenty-five percent (25%) shall be apportioned to  
9 the ~~Oklahoma~~ State Department of Health and earmarked for drug and  
10 alcohol rehabilitation.

11 SECTION 5. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 427 of Title 63, unless there is  
13 created a duplication in numbering, reads as follows:

14 A. All licensure revocation hearings conducted pursuant to the  
15 penalties set forth in Sections 421, 422 and 423 of Title 63 of the  
16 Oklahoma Statutes shall be recorded. A party may request a copy of  
17 the recording of the proceedings. Copies shall be provided to local  
18 law enforcement if the revocation was based on alleged criminal  
19 activity.

20 B. The State Department of Health shall assist any law  
21 enforcement officer in the performance of his or her duties upon  
22 such law enforcement officer's request or the request of other local  
23 officials having jurisdiction. The Department shall share  
24

1 information with law enforcement agencies upon request without a  
2 subpoena or search warrant.

3 C. The State Department of Health shall make available all  
4 information displayed on medical marijuana licenses, as well as  
5 whether or not the license is valid, to law enforcement  
6 electronically through the Oklahoma Law Enforcement  
7 Telecommunications System.

8 D. The Department shall make available a public list of medical  
9 marijuana retail, commercial cultivation, warehouse and processing  
10 locations to aid county and municipal governments to identify  
11 locations within their jurisdiction and ensure compliance with local  
12 regulations.

13 E. All applicants for a dispensary license, commercial grower  
14 license or processor license shall submit with their application,  
15 after notifying the political subdivision of their intent, a  
16 certificate of compliance from the political subdivision where the  
17 applicant's facility or use is to be located certifying compliance  
18 with zoning classifications, applicable municipal ordinances and all  
19 applicable safety, electrical, fire, plumbing, waste, construction  
20 and building specification codes.

21 SECTION 6. AMENDATORY Section 7 of Enrolled House Bill  
22 No. 2612 of the 1st Session of the 57th Oklahoma Legislature, is  
23 amended to read as follows:

24

1 Section 7. A. The Oklahoma Medical Marijuana Authority shall  
2 create a medical marijuana use registry of patients and caregivers  
3 as provided under this section. The handling of any records  
4 maintained in the registry shall comply with all relevant state and  
5 federal laws including, but not limited to, the Health Insurance  
6 Portability and Accountability Act of 1996 (HIPAA).

7 B. The medical marijuana use registry shall be accessible to:  
8 1. Oklahoma-licensed medical marijuana dispensaries to verify  
9 the license of a patient or caregiver by the twenty-four-character  
10 identifier; and

11 2. Any court in this state for the purposes specified in  
12 subsection B of Section 420 of Title 63 of the Oklahoma Statutes.

13 C. All other records regarding a medical marijuana licensee  
14 shall be maintained by the Authority and shall be deemed  
15 confidential. The handling of any records maintained by the  
16 Authority shall comply with all relevant state and federal laws  
17 including, but not limited to, the Health Insurance Portability and  
18 Accountability Act of 1996 (HIPAA). Such records shall be marked as  
19 confidential, shall not be made available to the public and shall  
20 only be made available to the licensee, designee of the licensee,  
21 any physician of the licensee or the caregiver of the licensee. No  
22 personally identifiable information, as defined under HIPAA, shall  
23 be stored at the Department.

24

1 D. A log shall be kept with the file of the licensee to record  
2 any event in which the records of the licensee were made available  
3 and to whom the records were provided.

4 E. The Department shall ensure that all application records and  
5 information are sealed to protect the privacy of medical marijuana  
6 patient license applicants.

7 SECTION 7. AMENDATORY 68 O.S. 2011, Section 1357, as  
8 last amended by Section 18, Chapter 54, O.S.L. 2015 (68 O.S. Supp.  
9 2018, Section 1357), is amended to read as follows:

10 Section 1357. Exemptions - General.

11 There are hereby specifically exempted from the tax levied by  
12 the Oklahoma Sales Tax Code:

13 1. Transportation of school pupils to and from elementary  
14 schools or high schools in motor or other vehicles;

15 2. Transportation of persons where the fare of each person does  
16 not exceed One Dollar (\$1.00), or local transportation of persons  
17 within the corporate limits of a municipality except by taxicabs;

18 3. Sales for resale to persons engaged in the business of  
19 reselling the articles purchased, whether within or without the  
20 state, provided that such sales to residents of this state are made  
21 to persons to whom sales tax permits have been issued as provided in  
22 the Oklahoma Sales Tax Code. This exemption shall not apply to the  
23 sales of articles made to persons holding permits when such persons  
24 purchase items for their use and which they are not regularly

1 engaged in the business of reselling; neither shall this exemption  
2 apply to sales of tangible personal property to peddlers, solicitors  
3 and other salespersons who do not have an established place of  
4 business and a sales tax permit. The exemption provided by this  
5 paragraph shall apply to sales of motor fuel or diesel fuel to a  
6 Group Five vendor, but the use of such motor fuel or diesel fuel by  
7 the Group Five vendor shall not be exempt from the tax levied by the  
8 Oklahoma Sales Tax Code. The purchase of motor fuel or diesel fuel  
9 is exempt from sales tax when the motor fuel is for shipment outside  
10 this state and consumed by a common carrier by rail in the conduct  
11 of its business. The sales tax shall apply to the purchase of motor  
12 fuel or diesel fuel in Oklahoma by a common carrier by rail when  
13 such motor fuel is purchased for fueling, within this state, of any  
14 locomotive or other motorized flanged wheel equipment;

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

16 5. Sales of programs relating to sporting and entertainment  
17 events, and sales of advertising on billboards (including signage,  
18 posters, panels, marquees, or on other similar surfaces, whether  
19 indoors or outdoors) or in programs relating to sporting and  
20 entertainment events, and sales of any advertising, to be displayed  
21 at or in connection with a sporting event, via the Internet,  
22 electronic display devices, or through public address or broadcast  
23 systems. The exemption authorized by this paragraph shall be  
24 effective for all sales made on or after January 1, 2001;



1       6. Sales of any advertising, other than the advertising  
2 described by paragraph 5 of this section, via the Internet,  
3 electronic display devices, or through the electronic media,  
4 including radio, public address or broadcast systems, television  
5 (whether through closed circuit broadcasting systems or otherwise),  
6 and cable and satellite television, and the servicing of any  
7 advertising devices;

8       7. Eggs, feed, supplies, machinery and equipment purchased by  
9 persons regularly engaged in the business of raising worms, fish,  
10 any insect or any other form of terrestrial or aquatic animal life  
11 and used for the purpose of raising same for marketing. This  
12 exemption shall only be granted and extended to the purchaser when  
13 the items are to be used and in fact are used in the raising of  
14 animal life as set out above. Each purchaser shall certify, in  
15 writing, on the invoice or sales ticket retained by the vendor that  
16 the purchaser is regularly engaged in the business of raising such  
17 animal life and that the items purchased will be used only in such  
18 business. The vendor shall certify to the Oklahoma Tax Commission  
19 that the price of the items has been reduced to grant the full  
20 benefit of the exemption. Violation hereof by the purchaser or  
21 vendor shall be a misdemeanor;

22       8. Sale of natural or artificial gas and electricity, and  
23 associated delivery or transmission services, when sold exclusively  
24 for residential use. Provided, this exemption shall not apply to

1 any sales tax levied by a city or town, or a county, or any other  
2 jurisdiction in this state;

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

8 10. Transfers of title or possession of empty, partially  
9 filled, or filled returnable oil and chemical drums to any person  
10 who is not regularly engaged in the business of selling, reselling  
11 or otherwise transferring empty, partially filled, or filled  
12 returnable oil drums;

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

16 12. Sales of food or food products for home consumption which  
17 are purchased in whole or in part with coupons issued pursuant to  
18 the federal food stamp program as authorized by Sections 2011  
19 through 2029 of Title 7 of the United States Code, as to that  
20 portion purchased with such coupons. The exemption provided for  
21 such sales shall be inapplicable to such sales upon the effective  
22 date of any federal law that removes the requirement of the  
23 exemption as a condition for participation by the state in the  
24 federal food stamp program;

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

4           a. is exempt from taxation pursuant to the provisions of  
5 Section 501(c)(3) of the Internal Revenue Code, 26  
6 U.S.C., Section 501(c)(3), and which provides and  
7 delivers prepared meals for home consumption to  
8 elderly or homebound persons as part of a program  
9 commonly known as "Meals on Wheels" or "Mobile Meals",  
10 or

11          b. is exempt from taxation pursuant to the provisions of  
12 Section 501(c)(3) of the Internal Revenue Code, 26  
13 U.S.C., Section 501(c)(3), and which receives federal  
14 funding pursuant to the Older Americans Act of 1965,  
15 as amended, for the purpose of providing nutrition  
16 programs for the care and benefit of elderly persons;

17       14. a. Sales of tangible personal property or services to or  
18 by organizations which are exempt from taxation  
19 pursuant to the provisions of Section 501(c)(3) of the  
20 Internal Revenue Code, 26 U.S.C., Section 501(c)(3),  
21 and:

22           (1) are primarily involved in the collection and  
23 distribution of food and other household products  
24 to other organizations that facilitate the

1 distribution of such products to the needy and  
2 such distributee organizations are exempt from  
3 taxation pursuant to the provisions of Section  
4 501(c) (3) of the Internal Revenue Code, 26  
5 U.S.C., Section 501(c) (3), or

6 (2) facilitate the distribution of such products to  
7 the needy.

8 b. Sales made in the course of business for profit or  
9 savings, competing with other persons engaged in the  
10 same or similar business shall not be exempt under  
11 this paragraph;

12 15. Sales of tangible personal property or services to  
13 children's homes which are located on church-owned property and are  
14 operated by organizations exempt from taxation pursuant to the  
15 provisions of the Internal Revenue Code, 26 U.S.C., Section  
16 501(c) (3);

17 16. Sales of computers, data processing equipment, related  
18 peripherals and telephone, telegraph or telecommunications service  
19 and equipment for use in a qualified aircraft maintenance or  
20 manufacturing facility. For purposes of this paragraph, "qualified  
21 aircraft maintenance or manufacturing facility" means a new or  
22 expanding facility primarily engaged in aircraft repair, building or  
23 rebuilding whether or not on a factory basis, whose total cost of  
24 construction exceeds the sum of Five Million Dollars (\$5,000,000.00)

1 and which employs at least two hundred fifty (250) new full-time-  
2 equivalent employees, as certified by the Oklahoma Employment  
3 Security Commission, upon completion of the facility. In order to  
4 qualify for the exemption provided for by this paragraph, the cost  
5 of the items purchased by the qualified aircraft maintenance or  
6 manufacturing facility shall equal or exceed the sum of Two Million  
7 Dollars (\$2,000,000.00);

8 17. Sales of tangible personal property consumed or  
9 incorporated in the construction or expansion of a qualified  
10 aircraft maintenance or manufacturing facility as defined in  
11 paragraph 16 of this section. For purposes of this paragraph, sales  
12 made to a contractor or subcontractor that has previously entered  
13 into a contractual relationship with a qualified aircraft  
14 maintenance or manufacturing facility for construction or expansion  
15 of such a facility shall be considered sales made to a qualified  
16 aircraft maintenance or manufacturing facility;

17 18. Sales of the following telecommunications services:

18 a. Interstate and International "800 service". "800  
19 service" means a "telecommunications service" that  
20 allows a caller to dial a toll-free number without  
21 incurring a charge for the call. The service is  
22 typically marketed under the name "800", "855", "866",  
23 "877", and "888" toll-free calling, and any subsequent  
24

1 numbers designated by the Federal Communications  
2 Commission, or

3 b. Interstate and International "900 service". "900  
4 service" means an inbound toll "telecommunications  
5 service" purchased by a subscriber that allows the  
6 subscriber's customers to call in to the subscriber's  
7 prerecorded announcement or live service. "900  
8 service" does not include the charge for: collection  
9 services provided by the seller of the  
10 "telecommunications services" to the subscriber, or  
11 service or product sold by the subscriber to the  
12 subscriber's customer. The service is typically  
13 marketed under the name "900" service, and any  
14 subsequent numbers designated by the Federal  
15 Communications Commission,

16 c. Interstate and International "private communications  
17 service". "Private communications service" means a  
18 "telecommunications service" that entitles the  
19 customer to exclusive or priority use of a  
20 communications channel or group of channels between or  
21 among termination points, regardless of the manner in  
22 which such channel or channels are connected, and  
23 includes switching capacity, extension lines,  
24 stations, and any other associated services that are

1 provided in connection with the use of such channel or  
2 channels,

3 d. "Value-added nonvoice data service". "Value-added  
4 nonvoice data service" means a service that otherwise  
5 meets the definition of "telecommunications services"  
6 in which computer processing applications are used to  
7 act on the form, content, code, or protocol of the  
8 information or data primarily for a purpose other than  
9 transmission, conveyance or routing,

10 e. Interstate and International telecommunications  
11 service which is:

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

14 (2) used, allocated, or distributed by a company to  
15 its affiliated group,

16 f. Regulatory assessments and charges, including charges  
17 to fund the Oklahoma Universal Service Fund, the  
18 Oklahoma Lifeline Fund and the Oklahoma High Cost  
19 Fund, and

20 g. Telecommunications nonrecurring charges, including but  
21 not limited to the installation, connection, change or  
22 initiation of telecommunications services which are  
23 not associated with a retail consumer sale;

24

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

4        20. Sales of aircraft and aircraft parts provided such sales  
5 occur at a qualified aircraft maintenance facility. As used in this  
6 paragraph, "qualified aircraft maintenance facility" means a  
7 facility operated by an air common carrier, including one or more  
8 component overhaul support buildings or structures in an area owned,  
9 leased or controlled by the air common carrier, at which there were  
10 employed at least two thousand (2,000) full-time-equivalent  
11 employees in the preceding year as certified by the Oklahoma  
12 Employment Security Commission and which is primarily related to the  
13 fabrication, repair, alteration, modification, refurbishing,  
14 maintenance, building or rebuilding of commercial aircraft or  
15 aircraft parts used in air common carriage. For purposes of this  
16 paragraph, "air common carrier" shall also include members of an  
17 affiliated group as defined by Section 1504 of the Internal Revenue  
18 Code, 26 U.S.C., Section 1504. Beginning July 1, 2012, sales of  
19 machinery, tools, supplies, equipment and related tangible personal  
20 property and services used or consumed in the repair, remodeling or  
21 maintenance of aircraft, aircraft engines, or aircraft component  
22 parts which occur at a qualified aircraft maintenance facility;

23

24



1        21. Sales of machinery and equipment purchased and used by  
2 persons and establishments primarily engaged in computer services  
3 and data processing:

4            a. as defined under Industrial Group Numbers 7372 and  
5                7373 of the Standard Industrial Classification (SIC)  
6                Manual, latest version, which derive at least fifty  
7                percent (50%) of their annual gross revenues from the  
8                sale of a product or service to an out-of-state buyer  
9                or consumer, and

10           b. as defined under Industrial Group Number 7374 of the  
11                SIC Manual, latest version, which derive at least  
12                eighty percent (80%) of their annual gross revenues  
13                from the sale of a product or service to an out-of-  
14                state buyer or consumer.

15        Eligibility for the exemption set out in this paragraph shall be  
16 established, subject to review by the Tax Commission, by annually  
17 filing an affidavit with the Tax Commission stating that the  
18 facility so qualifies and such information as required by the Tax  
19 Commission. For purposes of determining whether annual gross  
20 revenues are derived from sales to out-of-state buyers or consumers,  
21 all sales to the federal government shall be considered to be to an  
22 out-of-state buyer or consumer;

23        22. Sales of prosthetic devices to an individual for use by  
24 such individual. For purposes of this paragraph, "prosthetic

1 device" shall have the same meaning as provided in Section 1357.6 of  
2 this title, but shall not include corrective eye glasses, contact  
3 lenses or hearing aids;

4 23. Sales of tangible personal property or services to a motion  
5 picture or television production company to be used or consumed in  
6 connection with an eligible production. For purposes of this  
7 paragraph, "eligible production" means a documentary, special, music  
8 video, or a television commercial or television program that will  
9 serve as a pilot for or be a segment of an ongoing dramatic or  
10 situation comedy series filmed or taped for network or national or  
11 regional syndication or a feature-length motion picture intended for  
12 theatrical release or for network or national or regional  
13 syndication or broadcast. The provisions of this paragraph shall  
14 apply to sales occurring on or after July 1, 1996. In order to  
15 qualify for the exemption, the motion picture or television  
16 production company shall file any documentation and information  
17 required to be submitted pursuant to rules promulgated by the Tax  
18 Commission;

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

21 25. Sales of tangible personal property or services to tax-  
22 exempt independent nonprofit biomedical research foundations that  
23 provide educational programs for Oklahoma science students and  
24

1 teachers and to tax-exempt independent nonprofit community blood  
2 banks headquartered in this state;

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

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

11 28. Beginning July 1, 2005, sales of aircraft engine repairs,  
12 modification, and replacement parts, sales of aircraft frame repairs  
13 and modification, aircraft interior modification, and paint, and  
14 sales of services employed in the repair, modification and  
15 replacement of parts of aircraft engines, aircraft frame and  
16 interior repair and modification, and paint;

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

- 20 a. are loaded on the ship, motor vessel or barge and used  
21 in the maintenance and operation of the ship, motor  
22 vessel or barge, or  
23 b. enter into and become component parts of the ship,  
24 motor vessel or barge;

1       30. Sales of tangible personal property made at estate sales at  
2 which such property is offered for sale on the premises of the  
3 former residence of the decedent by a person who is not required to  
4 be licensed pursuant to the Transient Merchant Licensing Act, or who  
5 is not otherwise required to obtain a sales tax permit for the sale  
6 of such property pursuant to the provisions of Section 1364 of this  
7 title; provided:

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

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

23       32. Sales of prewritten computer software that is delivered  
24 electronically. For purposes of this paragraph, "delivered

1 electronically" means delivered to the purchaser by means other than  
2 tangible storage media;

3 33. Sales of modular dwelling units when built at a production  
4 facility and moved in whole or in parts, to be assembled on-site,  
5 and permanently affixed to the real property and used for  
6 residential or commercial purposes. The exemption provided by this  
7 paragraph shall equal forty-five percent (45%) of the total sales  
8 price of the modular dwelling unit. For purposes of this paragraph,  
9 "modular dwelling unit" means a structure that is not subject to the  
10 motor vehicle excise tax imposed pursuant to Section 2103 of this  
11 title;

12 34. Sales of tangible personal property or services to persons  
13 who are residents of Oklahoma and have been honorably discharged  
14 from active service in any branch of the Armed Forces of the United  
15 States or Oklahoma National Guard and who have been certified by the  
16 United States Department of Veterans Affairs or its successor to be  
17 in receipt of disability compensation at the one-hundred-percent  
18 rate and the disability shall be permanent and have been sustained  
19 through military action or accident or resulting from disease  
20 contracted while in such active service or the surviving spouse of  
21 such person if the person is deceased and the spouse has not  
22 remarried; provided, sales for the benefit of the person to a spouse  
23 of the eligible person or to a member of the household in which the  
24 eligible person resides and who is authorized to make purchases on

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

23 35. Sales of electricity to the operator, specifically  
24 designated by the Corporation Commission, of a spacing unit or lease

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

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

23 37. Sales of vitamins, minerals and dietary supplements by a  
24 licensed chiropractor to a person who is the patient of such

1 chiropractor at the physical location where the chiropractor  
2 provides chiropractic care or services to such patient. The  
3 provisions of this paragraph shall not be applicable to any drug,  
4 medicine or substance for which a prescription by a licensed  
5 physician is required;

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

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

23 40. Sales of tangible personal property or services to a  
24 business primarily engaged in the repair of consumer electronic



1 goods, including, but not limited to, cell phones, compact disc  
2 players, personal computers, MP3 players, digital devices for the  
3 storage and retrieval of information through hard-wired or wireless  
4 computer or Internet connections, if the devices are sold to the  
5 business by the original manufacturer of such devices and the  
6 devices are repaired, refitted or refurbished for sale by the entity  
7 qualifying for the exemption authorized by this paragraph directly  
8 to retail consumers or if the devices are sold to another business  
9 entity for sale to retail consumers;

10 41. Before July 1, 2019, sales of rolling stock when sold or  
11 leased by the manufacturer, regardless of whether the purchaser is a  
12 public services corporation engaged in business as a common carrier  
13 of property or passengers by railway, for use or consumption by a  
14 common carrier directly in the rendition of public service. For  
15 purposes of this paragraph, "rolling stock" means locomotives,  
16 autocars and railroad cars; ~~and~~

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

1 fabricated metals that have been processed or manufactured for  
2 artistic use or as jewelry; and

3 43. Sales of medical marijuana, as provided for in Section 420  
4 et seq. of Title 63 of the Oklahoma Statutes; provided, this  
5 exemption shall not apply to any sales tax levied by a city or town,  
6 a county, or any other jurisdiction in this state.

7 SECTION 8. AMENDATORY 68 O.S. 2011, Section 2701, is  
8 amended to read as follows:

9 Section 2701. A. Any incorporated city or town in this state  
10 is hereby authorized to assess, levy, and collect taxes for general  
11 and special purposes of municipal government as the Legislature may  
12 levy and collect for purposes of state government, subject to the  
13 provisions of subsection F of this section, except ad valorem  
14 property taxes. Provided:

15 1. Taxes shall be uniform upon the same class subjects, and any  
16 tax, charge, or fee levied upon or measured by income or receipts  
17 from the sale of products or services shall be uniform upon all  
18 classes of taxpayers;

19 2. Motor vehicles may be taxed by the city or town only when  
20 such vehicles are primarily used or located in such city or town for  
21 a period of time longer than six (6) months of a taxable year;

22 3. The provisions of this section shall not be construed to  
23 authorize imposition of any tax upon persons, firms, or corporations  
24 exempted from other taxation under the provisions of Sections 348.1,

1 624 and 321 of Title 36 of the Oklahoma Statutes, by reason of  
2 payment of taxes imposed under such sections;

3 4. Cooperatives and communications companies are hereby  
4 authorized to pass on to their subscribers in the incorporated city  
5 or town involved, the amount of any special municipal fee, charge or  
6 tax hereafter assessed or levied on or collected from such  
7 cooperatives or communications companies;

8 5. No earnings, payroll or income taxes may be levied on  
9 nonresidents of the cities or towns levying such tax;

10 6. The governing body of any city or town shall be prohibited  
11 from proposing taxing ordinances more often than three times in any  
12 calendar year, or twice in any six-month period; and

13 7. Any revenues derived from a tax authorized by this  
14 subsection not dedicated to a limited purpose shall be deposited in  
15 the municipal general fund.

16 B. A sales tax authorized in subsection A of this section may  
17 be levied for limited purposes specified in the ordinance levying  
18 the tax. Such ordinance shall be submitted to the voters for  
19 approval as provided in Section 2705 of this title. Any sales tax  
20 levied or any change in the rate of a sales tax levied pursuant to  
21 the provisions of this section shall become effective on the first  
22 day of the calendar quarter following approval by the voters of the  
23 city or town unless another effective date, which shall also be on  
24 the first day of a calendar quarter, is specified in the ordinance

1 levying the sales tax or changing the rate of sales tax. Such  
2 ordinance shall describe with specificity the projects or  
3 expenditures for which the limited-purpose tax levy would be made.  
4 The municipal governing body shall create a limited-purpose fund and  
5 deposit therein any revenue generated by any tax levied pursuant to  
6 this subsection. Money in the fund shall be accumulated from year  
7 to year. The fund shall be placed in an insured interest-bearing  
8 account and the interest which accrues on the fund shall be retained  
9 in the fund. The fund shall be nonfiscal and shall not be  
10 considered in computing any levy when the municipality makes its  
11 estimate to the excise board for needed appropriations. Money in  
12 the limited-purpose tax fund shall be expended only as accumulated  
13 and only for the purposes specifically described in the taxing  
14 ordinance as approved by the voters.

15 C. The Oklahoma Tax Commission shall give notice to all vendors  
16 of a rate change at least sixty (60) days prior to the effective  
17 date of the rate change. Provided, for purchases from printed  
18 catalogs wherein the purchaser computed the tax based upon local tax  
19 rates published in the catalog, the rate change shall not be  
20 effective until the first day of a calendar quarter after a minimum  
21 of one hundred twenty (120) days' notice to vendors. Failure to  
22 give notice as required by this section shall delay the effective  
23 date of the rate change to the first day of the next calendar  
24 quarter.

1 D. The change in the boundary of a municipality shall be  
2 effective, for sales and use tax purposes only, on the first day of  
3 a calendar quarter after a minimum of sixty (60) days' notice to  
4 vendors.

5 E. If the proceeds of any sales tax levied by a municipality  
6 pursuant to subsection B of this section are being used by the  
7 municipality for the purpose of retiring indebtedness incurred by  
8 the municipality or by a public trust of which the municipality is a  
9 beneficiary for the specific purpose for which the sales tax was  
10 imposed, the sales tax shall not be repealed until such time as the  
11 indebtedness is retired. However, in no event shall the life of the  
12 tax be extended beyond the duration approved by the voters of the  
13 municipality. The provisions of this subsection shall apply to all  
14 sales tax levies imposed by a municipality and being used by the  
15 municipality for the purposes set forth in this subsection prior to  
16 or after July 1, 1995.

17 F. The sale of an article of clothing or footwear designed to  
18 be worn on or about the human body shall be exempt from the sales  
19 tax imposed by any incorporated city or town, in accordance with and  
20 to the extent set forth in Section ~~3 of this act~~ 1357.10 of this  
21 title.

22 G. If the sale of medical marijuana is subject to a sales tax  
23 levied by a municipality pursuant to subsection B of this section,  
24

1 the rate of tax shall not exceed the rate levied by a municipality  
2 for other sales.

3 SECTION 9. AMENDATORY 68 O.S. 2011, Section 1370, as  
4 amended by Section 2, Chapter 254, O.S.L. 2015 (68 O.S. Supp. 2018,  
5 Section 1370), is amended to read as follows:

6 Section 1370. A. In accordance with the provisions of Section  
7 ~~1 of this act~~ Section 1354.36 of this title, any county of this  
8 state may levy a sales tax of not to exceed two percent (2%) upon  
9 the gross proceeds or gross receipts derived from all sales or  
10 services in the county upon which a consumer's sales tax is levied  
11 by this state; except as otherwise provided in subsection D of this  
12 section. Before a sales tax may be levied by the county, the  
13 imposition of the tax shall first be approved by a majority of the  
14 registered voters of the county voting thereon at a special election  
15 called by the board of county commissioners or by initiative  
16 petition signed by not less than five percent (5%) of the registered  
17 voters of the county who were registered at the time of the last  
18 general election. However, if a majority of the registered voters  
19 of a county voting fail to approve such a tax, the board of county  
20 commissioners shall not call another special election for such  
21 purpose for six (6) months. Any sales tax approved by the  
22 registered voters of a county shall be applicable only when the  
23 point of sale is within the territorial limits of such county. Any  
24 sales tax levied or any change in the rate of a sales tax levied

1 pursuant to the provisions of this section shall become effective on  
2 the first day of the calendar quarter following approval by the  
3 voters of the county unless another effective date, which shall also  
4 be on the first day of a calendar quarter, is specified in the  
5 ordinance or resolution levying the sales tax or changing the rate  
6 of sales tax.

7       B. The Oklahoma Tax Commission shall give notice to all vendors  
8 of a rate change at least sixty (60) days prior to the effective  
9 date of the rate change. Provided, for purchases from printed  
10 catalogs wherein the purchaser computed the tax based upon local tax  
11 rates published in the catalog, the rate change shall not be  
12 effective until the first day of a calendar quarter after a minimum  
13 of one hundred twenty (120) days' notice to vendors. Failure to  
14 give notice as required by this section shall delay the effective  
15 date of the rate change to the first day of the next calendar  
16 quarter.

17       C. Initiative petitions calling for a special election  
18 concerning county sales tax proposals shall be in accordance with  
19 Sections 2, 3, 3.1, 6, 18 and 24 of Title 34 of the Oklahoma  
20 Statutes. Petitions shall be submitted to the office of county  
21 clerk for approval as to form prior to circulation. Following  
22 approval, the petitioner shall have ninety (90) days to secure the  
23 required signatures. After securing the requisite number of  
24 signatures, the petitioner shall submit the petition and signatures

1 to the county clerk. Following the verification of signatures, the  
2 county clerk shall present the petition to the board of county  
3 commissioners. The special election shall be held within sixty (60)  
4 days of receiving the petition. The ballot title presented to the  
5 voters at the special election shall be identical to the ballot as  
6 presented in the initiative petition.

7 D. ~~Subject~~ 1. Sales subject to the provisions of Section  
8 1357.10 of this title, ~~all items~~ that are exempt from the state  
9 sales tax shall be exempt from any sales tax levied by a county.

10 2. Sales of medical marijuana which are exempt from the state  
11 sales tax pursuant to paragraph 43 of Section 1357 of this title  
12 shall be subject to sales tax levied by a county; provided, the rate  
13 of tax shall not exceed the rate levied by a county for other sales.

14 E. Any sales tax which may be levied by a county shall be  
15 designated for a particular purpose. Such purposes may include, but  
16 are not limited to, projects owned by the state, any agency or  
17 instrumentality thereof, the county and/or any political subdivision  
18 located in whole or in part within such county, regional  
19 development, economic development, common education, general  
20 operations, capital improvements, county roads, weather modification  
21 or any other purpose deemed, by a majority vote of the county  
22 commissioners or as stated by initiative petition, to be necessary  
23 to promote safety, security and the general well-being of the  
24 people, including any authorized purpose pursuant to the Oklahoma



1 Community Economic Development Pooled Finance Act. The county shall  
2 identify the purpose of the sales tax when it is presented to the  
3 voters pursuant to the provisions of subsection A of this section.  
4 Except as otherwise provided in this section and except as required  
5 by the Oklahoma Community Economic Development Pooled Finance Act,  
6 the proceeds of any sales tax levied by a county shall be deposited  
7 in the general revenue or sales tax revolving fund of the county and  
8 shall be used only for the purpose for which such sales tax was  
9 designated. If the proceeds of any sales tax levied by a county  
10 pursuant to this section are pledged for the purpose of retiring  
11 indebtedness incurred for the specific purpose for which the sales  
12 tax is imposed, the sales tax shall not be repealed until such time  
13 as the indebtedness is retired. However, in no event shall the life  
14 of the tax be extended beyond the duration approved by the voters of  
15 the county.

16 F. 1. Notwithstanding any other provisions of law, any county  
17 that has approved a sales tax for the construction, support or  
18 operation of a county hospital may continue to collect such tax if  
19 such hospital is subsequently sold. Such collection shall only  
20 continue if the county remains indebted for the past construction,  
21 support or operation of such hospital. The collection may continue  
22 only until the debt is repaid or for the stated term of the sales  
23 tax, whichever period is shorter.

24

1        2. If the construction, support or operation of a hospital is  
2 funded through the levy of a county sales tax pursuant to this  
3 section and such hospital is subsequently sold, the county levying  
4 the tax may dissolve the governing board of such hospital following  
5 the sale. Upon the sale of the hospital and dissolution of any  
6 governing board, the county is relieved of any future liability for  
7 the operation of such hospital.

8        G. Proceeds from any sales tax levied that is designated to be  
9 used solely by the sheriff for the operation of the office of  
10 sheriff shall be placed in the special revenue account of the  
11 sheriff.

12        H. The life of the tax could be limited or unlimited in  
13 duration. The county shall identify the duration of the tax when it  
14 is presented to the voters pursuant to the provisions of subsections  
15 A and C of this section. The maximum duration of a levy imposed  
16 pursuant to Section 891.14 of Title 62 of the Oklahoma Statutes  
17 shall be no longer than allowed pursuant to the Oklahoma Community  
18 Economic Development Pooled Finance Act.

19        I. Except for the levies imposed pursuant to Section 891.14 of  
20 Title 62 of the Oklahoma Statutes, there are hereby created one or  
21 more county sales tax revolving funds in each county which levies a  
22 sales tax under this section if any or all of the proceeds of such  
23 tax are not to be deposited in the general revenue fund of the  
24 county or comply with the provisions of subsection G of this

1 section. Each such revolving fund shall be designated for a  
2 particular purpose and shall consist of all monies generated by such  
3 sales tax which are designated for such purpose. Monies in such  
4 funds shall only be expended for the purposes specifically  
5 designated as required by this section. A county sales tax  
6 revolving fund shall be a continuing fund not subject to fiscal year  
7 limitations.

8 J. In the case of a levy submitted for voter approval pursuant  
9 to Section 891.14 of Title 62 of the Oklahoma Statutes, taxes levied  
10 by a county shall not become valid until the ordinance or resolution  
11 setting the rate of the levy shall have been approved by a majority  
12 vote of the registered voters of each such county voting on such  
13 question at a special election. Elections conducted pursuant to  
14 questions submitted pursuant to Section 891.14 of Title 62 of the  
15 Oklahoma Statutes shall be conducted on the same date or in a  
16 sequence that provides that the last vote required for approval by  
17 all participating counties or municipalities occurs not later than  
18 thirty (30) days after the date upon which the first vote occurs.

19 ~~SECTION 10. It being immediately necessary for the preservation~~  
20 ~~of the public peace, health or safety, an emergency is hereby~~  
21 ~~declared to exist, by reason whereof this act shall take effect and~~  
22 ~~be in full force from and after its passage and approval.~~

23  
24

