

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 HOUSE BILL 1896

By: Newton

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5
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68
8 O.S. 2011, Sections 1353, as last amended by Section
9 1, Chapter 303, O.S.L. 2018 and 1403, as last amended
10 by Section 9, Chapter 17, 2nd Extraordinary Session,
11 O.S.L. 2018 (68 O.S. Supp. 2018, Sections 1353 and
12 1403), which relate to apportionment of sales tax and
13 use tax; modifying provisions related to maximum
14 apportionment to the Oklahoma Tourism Promotion
15 Revolving Fund and the Oklahoma Tourism Capital
16 Improvement Revolving Fund; modifying provisions
17 related to apportionment of revenues to the General
18 Revenue Fund; providing an effective date; and
19 declaring an emergency.

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

26 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1353, as
27 last amended by Section 1, Chapter 303, O.S.L. 2018 (68 O.S. Supp.
28 2018, Section 1353), is amended to read as follows:

29 Section 1353. A. It is hereby declared to be the purpose of
30 the Oklahoma Sales Tax Code to provide funds for the financing of
31 the program provided for by the Oklahoma Social Security Act and to
32 provide revenues for the support of the functions of the state
33 government of Oklahoma, and for this purpose it is hereby expressly

1 provided that, revenues derived pursuant to the provisions of the
2 Oklahoma Sales Tax Code, subject to the apportionment requirements
3 for the Oklahoma Tax Commission and Office of Management and
4 Enterprise Services Joint Computer Enhancement Fund provided by
5 Section 265 of this title, shall be apportioned as follows:

6 1. a. except as provided in subsection C of this section,
7 the following amounts shall be paid to the State
8 Treasurer to be placed to the credit of the General
9 Revenue Fund to be paid out pursuant to direct
10 appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	86.04%
FY 2005	85.83%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

18 b. in the event that additional monies are necessary
19 pursuant to paragraph 6 of this subsection, such
20 additional monies shall be deducted in the proportion
21 determined by the State Board of Equalization pursuant
22 to paragraph 3 of Section 2355.1B of this title from
23 the monies apportioned to the General Revenue Fund;

24

1 2. For FY 2003, FY 2004 and FY 2005, ten and forty-two one-
2 hundredths percent (10.42%), shall be paid to the State Treasurer to
3 be placed to the credit of the Education Reform Revolving Fund of
4 the State Department of Education and for FY 2006 and each fiscal
5 year thereafter, ten and forty-six one-hundredths percent (10.46%)
6 shall be paid to the State Treasurer to be placed to the credit of
7 the Education Reform Revolving Fund of the State Department of
8 Education;

9 3. The following amounts shall be paid to the State Treasurer
10 to be placed to the credit of the Teachers' Retirement System
11 Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

19 4. a. ~~except as otherwise provided in subparagraph b of this~~
20 ~~paragraph, for~~ For the fiscal year beginning July 1,
21 ~~2015~~ 2019, and for each fiscal year thereafter,
22 eighty-seven one-hundredths percent (0.87%) shall be
23 paid to the State Treasurer to be further apportioned
24 as follows:

1 ~~(1)~~

2 a. thirty-six percent (36%) shall be placed to the credit
3 of the Oklahoma Tourism Promotion Revolving Fund, ~~but~~
4 ~~in no event shall such apportionment exceed Five~~
5 ~~Million Dollars (\$5,000,000.00) in any fiscal year,~~
6 and

7 ~~(2)~~

8 b. sixty-four percent (64%) shall be placed to the credit
9 of the Oklahoma Tourism Capital Improvement Revolving
10 Fund, ~~but in no event shall such apportionment exceed~~
11 ~~Nine Million Dollars (\$9,000,000.00) in any fiscal~~
12 ~~year, and~~

13 ~~b.~~ ~~any amounts which exceed the limitations of~~
14 ~~subparagraph a of this paragraph shall be placed to~~
15 ~~the credit of the General Revenue Fund;~~

16 5. For the fiscal year beginning July 1, 2015, and for each
17 fiscal year thereafter, six one-hundredths percent (0.06%) shall be
18 placed to the credit of the Oklahoma Historical Society Capital
19 Improvement and Operations Revolving Fund, but in no event shall
20 such apportionment exceed the total amount apportioned pursuant to
21 this paragraph for the fiscal year ending on June 30, 2015. Any
22 amounts which exceed the limitations of this paragraph shall be
23 placed to the credit of the General Revenue Fund; and

1 6. During the first fiscal year after the State Board of
2 Equalization has made a determination as provided in Section 2355.1B
3 of this title, regarding a baseline amount of revenue apportioned
4 pursuant to paragraph 3 of this subsection, and for each fiscal year
5 thereafter, in no event shall monies apportioned pursuant to
6 paragraph 3 of this subsection, paragraph 3 of Section 1403 of this
7 title and subparagraph c of paragraph 1 of Section 2352 of this
8 title be less than such baseline amount.

9 B. Provided, for the fiscal year beginning July 1, 2007, and
10 every fiscal year thereafter, an amount of revenue shall be
11 apportioned to each municipality or county which levies a sales tax
12 subject to the provisions of Section 1357.10 of this title and
13 subsection F of Section 2701 of this title equal to the amount of
14 sales tax revenue of such municipality or county exempted by the
15 provisions of Section 1357.10 of this title and subsection F of
16 Section 2701 of this title. The Oklahoma Tax Commission shall
17 promulgate and adopt rules necessary to implement the provisions of
18 this subsection.

19 C. From the monies that would otherwise be apportioned to the
20 General Revenue Fund pursuant to subsection A of this section, there
21 shall be apportioned the following amounts:

22 1. For the month ending August 31, 2018:

23 a. Twenty-five Million Dollars (\$25,000,000.00) to the
24 credit of the State Highway Construction and

1 Maintenance Fund created in Section 1501 of Title 69
2 of the Oklahoma Statutes, and

- 3 b. Four Million Dollars (\$4,000,000.00) to the credit of
4 the Oklahoma Railroad Maintenance Revolving Fund
5 created in Section 309 of Title 66 of the Oklahoma
6 Statutes;

7 2. For the month ending September 30, 2018:

- 8 a. Twenty-five Million Dollars (\$25,000,000.00) to the
9 credit of the State Highway Construction and
10 Maintenance Fund created in Section 1501 of Title 69
11 of the Oklahoma Statutes, and

- 12 b. Four Million Dollars (\$4,000,000.00) to the credit of
13 the Oklahoma Railroad Maintenance Revolving Fund
14 created in Section 309 of Title 66 of the Oklahoma
15 Statutes; and

16 3. For the month ending October 31, 2018:

- 17 a. Thirty Million Dollars (\$30,000,000.00) to the credit
18 of the State Highway Construction and Maintenance Fund
19 created in Section 1501 of Title 69 of the Oklahoma
20 Statutes, and

- 21 b. Four Million Dollars (\$4,000,000.00) to the credit of
22 the Oklahoma Railroad Maintenance Revolving Fund
23 created in Section 309 of Title 66 of the Oklahoma
24 Statutes.

1 SECTION 2. AMENDATORY 68 O.S. 2011, Section 1403, as
2 last amended by Section 9, Chapter 17, 2nd Extraordinary Session,
3 O.S.L. 2018 (68 O.S. Supp. 2018, Section 1403), is amended to read
4 as follows:

5 Section 1403. A. It is hereby declared to be the purpose of
6 Section 1401 et seq. of this title to provide for the support of the
7 functions of the state and local government of Oklahoma; and for
8 this purpose and to this end, it is hereby expressly provided that
9 the revenues derived hereunder, subject to the apportionment
10 provided in subsection B of this section and to the apportionment
11 requirements for the Oklahoma Tax Commission and Office of
12 Management and Enterprise Services Joint Computer Enhancement Fund
13 provided by Section 265 of this title, are hereby apportioned as
14 follows:

15 1. a. the following amounts shall be paid by the Tax
16 Commission to the State Treasurer and placed to the
17 credit of the General Revenue Fund to be paid out
18 pursuant to direct appropriation by the Legislature:

19	Fiscal Year	Amount
20	FY 2004	85.35%
21	FY 2005	85.14%
22	FY 2006	85.54%
23	FY 2007	85.04%

24

1 FY 2008 and each fiscal

2 year thereafter 83.61%

3 b. in the event that additional monies are necessary
4 pursuant to paragraph 6 of this section, such
5 additional monies shall be deducted in the proportion
6 determined by the State Board of Equalization pursuant
7 to paragraph 3 of Section 2355.1B of this title from
8 the monies apportioned to the General Revenue Fund;

9 2. Ten and forty-six one-hundredths percent (10.46%) shall be
10 paid to the State Treasurer to be placed to the credit of the
11 Education Reform Revolving Fund of the State Department of
12 Education;

13 3. The following amounts shall be paid to the State Treasurer
14 to be placed to the credit of the Teachers' Retirement System
15 Dedicated Revenue Revolving Fund:

16 Fiscal Year	Amount
17 FY 2003 and FY 2004	3.54%
18 FY 2005	3.75%
19 FY 2006	4.0%
20 FY 2007	4.5%
21 FY 2008 and each fiscal	
22 year thereafter	5.0%

23 4. a. ~~except as otherwise provided in subparagraph b of this~~
24 ~~paragraph, for~~ For the fiscal year beginning July 1,

1 ~~2015~~ 2019, and for each fiscal year thereafter,
2 eighty-seven one-hundredths percent (0.87%) shall be
3 paid to the State Treasurer to be further apportioned
4 as follows:

5 ~~(1)~~

6 a. thirty-six percent (36%) shall be placed to the credit
7 of the Oklahoma Tourism Promotion Revolving Fund, ~~but~~
8 ~~in no event shall such apportionment exceed the total~~
9 ~~amount apportioned pursuant to this division for the~~
10 ~~fiscal year ending on June 30, 2015,~~ and

11 ~~(2)~~

12 b. sixty-four percent (64%) shall be placed to the credit
13 of the Oklahoma Tourism Capital Improvement Revolving
14 Fund, ~~but in no event shall such apportionment exceed~~
15 ~~the total amount apportioned pursuant to this division~~
16 ~~for the fiscal year ending on June 30, 2015,~~ and

17 ~~b.~~ ~~any amounts which exceed the limitations of~~
18 ~~subparagraph a of this paragraph shall be placed to~~
19 ~~the credit of the General Revenue Fund;~~

20 5. For the fiscal year beginning July 1, 2015, and for each
21 fiscal year thereafter, six one-hundredths percent (0.06%) shall be
22 placed to the credit of the Oklahoma Historical Society Capital
23 Improvement and Operations Revolving Fund, but in no event shall
24 such apportionment exceed the total amount apportioned pursuant to

1 this paragraph for the fiscal year ending on June 30, 2015. Any
2 amounts which exceed the limitations of this paragraph shall be
3 placed to the credit of the General Revenue Fund; and

4 6. During the first fiscal year after the State Board of
5 Equalization has made a determination as provided in Section 2355.1B
6 of this title, regarding a baseline amount of revenue apportioned
7 pursuant to paragraph 3 of this section, and for each fiscal year
8 thereafter, in no event shall monies apportioned pursuant to
9 paragraph 3 of this section, paragraph 3 of Section 1353 of this
10 title and subparagraph c of paragraph 1 of Section 2352 of this
11 title be less than such baseline amount.

12 B. Prior to the apportionments otherwise provided in this
13 section, there shall be apportioned to the Education Reform
14 Revolving Fund of the State Department of Education the following
15 amounts in the following state fiscal years:

16 FY 2019 \$19,600,000.00; and
17 FY 2020 and each year thereafter \$20,500,000.00.

18 SECTION 3. This act shall become effective July 1, 2019.

19 SECTION 4. 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.

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24 57-1-7673 MAH 01/16/19