

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

HOUSE BILL 1943

By: Strom

AS INTRODUCED

An Act relating to revenue and taxation; authorizing certain deduction for seller or vendor; establishing deduction formula; establishing maximum deduction amount; apportioning excess; authorizing Tax Commission to promulgate certain rules based upon federal authority; defining term; providing for codification; providing an effective date; and declaring an emergency.

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 1367.2 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For the purpose of compensating the seller or vendor for keeping sales tax records and for filing reports and remitting the tax when due, a seller or vendor shall be allowed a deduction of one percent (1%) of the tax due under the applicable provisions of this title.

Such deduction shall not be allowed with respect to a direct payment permit.

1 B. No deductions from tax shall be allowed if any such report
2 or payment of tax is delinquent; provided, the deduction shall be
3 allowed if the Oklahoma Tax Commission determines that the reason
4 that such report or payment of tax was delinquent was due to a
5 tornado occurring in a calendar year for which a Presidential Major
6 Disaster Declaration was issued or due to a tornado occurring in a
7 calendar year for which a Presidential Major Disaster Declaration
8 was not issued.

9 C. Notwithstanding the formula provided by subsection A of this
10 section, the deduction provided by this section shall be limited to
11 a maximum of Two Thousand Five Hundred Dollars (\$2,500.00) per month
12 per sales tax permit. No such sales tax permit holder may change
13 sales tax permit status in order to avoid the provisions of this
14 subsection.

15 D. An amount equal to the excess of the amount calculated by
16 the formula provided by subsection A of this section over the two-
17 thousand-five-hundred-dollar limit provided by subsection C of this
18 section shall be retained by the state as an administrative expense
19 and deposited to the General Revenue Fund.

20 E. Notwithstanding the provisions of subsections A, B, C and D
21 of this section, in the event that federal authority authorizes this
22 state to require remote sellers to collect and remit sales and use
23 taxes, the Oklahoma Tax Commission is authorized and directed to
24 promulgate rules which provide for deductions in the amounts and

1 subject to the limitations provided in the Streamlined Sales and Use
2 Tax Agreement. All sellers or vendors shall be eligible for such
3 deductions beginning on the date this state acquires such collection
4 authority pursuant to federal authorization.

5 F. For purposes of this section, the term "remote seller" shall
6 mean a seller that would not register to collect sales and use taxes
7 in this state but for the ability of this state to require such
8 remote seller to collect sales or use tax under federal authority.

9 SECTION 2. This act shall become effective July 1, 2019.

10 SECTION 3. It being immediately necessary for the preservation
11 of the public peace, health or safety, an emergency is hereby
12 declared to exist, by reason whereof this act shall take effect and
13 be in full force from and after its passage and approval.

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15 57-1-5694 MB 12/28/18

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