

1 ENGROSSED HOUSE
2 BILL NO. 2234

By: Lawson and Ford of the
House

3 and

4 Rader of the Senate

5
6
7 [revenue and taxation - sale for resale tax permits
8 - electronic verification - Oklahoma Tax Commission
9 - codification - effective date -
10 emergency]

11
12

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

14 SECTION 1. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 1364.4 of Title 68, unless there
16 is created a duplication in numbering, reads as follows:

17 A. To utilize the Sale for Resale sales tax exemption, a
18 separate Sale for Resale exemption permit for each business to be
19 operated must be obtained from the Oklahoma Tax Commission. The
20 permit may be obtained at no charge. The Oklahoma Tax Commission
21 shall grant and issue to each applicant a Sale for Resale permit for
22 each business in this state, upon proper application therefor and
23 verification thereof by the Oklahoma Tax Commission. A business
24 with multiple locations in this state may operate under one Sale for

1 Resale permit. The Oklahoma Tax Commission may additionally provide
2 for the access to a granted and issued permit electronically, or by
3 other such means as established by the Oklahoma Tax Commission.

4 B. All vendors shall honor a valid Sale for Resale permit for
5 sales tax exemption as authorized under this section and may utilize
6 the verification procedures outlined in subsection E of this
7 section, and sales to a person providing such proof shall be exempt
8 from the tax levied by Section 1350 et seq. of this title.

9 C. It shall be unlawful for any person designated as a Group
10 One, Group Two, Group Three or Group Four vendor, pursuant to
11 Section 1363 of this title, to claim a sale for resale exemption
12 within this state unless a Sale for Resale permit or permits shall
13 have been issued to such person. Any person who claims a sale for
14 resale exemption subject to the provisions of this section without a
15 Sale for Resale permit or permits, or after a Sale for Resale permit
16 has been suspended, upon conviction, shall be guilty of a
17 misdemeanor punishable by a fine of not more than One Thousand
18 Dollars (\$1,000.00).

19 D. All Sale for Resale permits issued under the provisions of
20 this section shall expire at 11:59 p.m. on the next June 30
21 following the effective date of issuance.

22 E. If the Oklahoma Tax Commission develops and adopts an
23 electronic system for exchanging information with sellers regarding
24 Sale for Resale permit numbers of purchasers who are seeking to make

1 purchases for resale, sellers may use the system to verify the
2 validity of the Sale for Resale permit number. The Oklahoma Tax
3 Commission shall provide such sellers, free of charge, verification
4 of whether the Sale for Resale permit numbers are valid. The
5 Oklahoma Tax Commission shall also provide a seller a transaction
6 code authorizing the seller to sell items purchased for resale to
7 purchasers who hold a valid Sale for Resale permit. A seller that
8 verifies a purchaser's permit number as outlined in this subsection
9 shall create a presumption that the sale was a valid sale for resale
10 exemption.

11 SECTION 2. This act shall become effective July 1, 2023.

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

16 Passed the House of Representatives the 13th day of March, 2023.

17

18

Presiding Officer of the House
of Representatives

19

20

Passed the Senate the ____ day of _____, 2023.

21

22

23

Presiding Officer of the Senate

24