

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

SENATE BILL 38

By: Coleman

AS INTRODUCED

An Act relating to sales and use tax; amending 68 O.S. 2021, Sections 1353, as last amended by Section 4, Chapter 441, O.S.L. 2024, and 1403 (68 O.S. Supp. 2024, Section 1353), which relate to apportionment of revenues; modifying certain apportionment for certain fiscal years; updating statutory reference; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 68 O.S. 2021, Section 1353, as last amended by Section 4, Chapter 441, O.S.L. 2024 (68 O.S. Supp. 2024, Section 1353), is amended to read as follows:

Section 1353. A. It is hereby declared to be the purpose of the Oklahoma Sales Tax Code to provide funds for the financing of the program provided for by the Oklahoma Social Security Act and to provide revenues for the support of the functions of the state government of Oklahoma, and for this purpose it is hereby expressly provided that revenues derived pursuant to the provisions of the Oklahoma Sales Tax Code, subject to the apportionment requirements for the Oklahoma Tax Commission and Office of Management and

1 Enterprise Services Joint Computer Enhancement Fund provided by
2 Section 265 of this title, and further subject to the apportionment
3 requirement provided in subsection D of this section, shall be
4 apportioned as follows:

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

9 Fiscal Year	Amount
10 FY 2003 and FY 2004	86.04%
11 FY 2005	85.83%
12 FY 2006	85.54%
13 FY 2007	85.04%
14 FY 2008 through FY 2022	83.61%
15 FY 2023 through FY 2027	83.36%
16 FY 2028 and each fiscal year thereafter	83.61%;

17 2. The following amounts shall be paid to the State Treasurer
18 to be placed to the credit of the Education Reform Revolving Fund of
19 the State Department of Education:

- 20 a. for FY 2003, FY 2004 and FY 2005, ten and forty-two
21 one-hundredths percent (10.42%),
- 22 b. for FY 2006 through FY 2020, ten and forty-six one-
23 hundredths percent (10.46%),
- 24 c. for FY 2021:

1 (1) for the month beginning July 1, 2020, through the
2 month ending August 31, 2020, ten and forty-six
3 one-hundredths percent (10.46%), and

4 (2) for the month beginning September 1, 2020,
5 through the month ending June 30, 2021, eleven
6 and ninety-six one-hundredths percent (11.96%),
7 and

8 d. for FY 2022 and each fiscal year thereafter, ten and
9 forty-six one-hundredths percent (10.46%);

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

13 Fiscal Year	Amount
14 FY 2003 and FY 2004	3.54%
15 FY 2005	3.75%
16 FY 2006	4.0%
17 FY 2007	4.5%
18 FY 2008 through FY 2020	5.0%
19 FY 2021:	

20 a. for the month beginning July
21 1, 2020, through the month
22 ending August 31, 2020 5.0%

23 b. for the month beginning
24 September 1, 2020, through

1 the month ending June 30,

2 2021 3.5%

3 FY 2022 5.0%

4 FY 2023 through FY 2027 5.25%

5 FY 2028 and each fiscal year thereafter 5.0%;

6 4. a. except as otherwise provided in subparagraph b of this
7 paragraph, for the fiscal year beginning July 1, 2022,
8 and for each fiscal year thereafter, eighty-seven one-
9 hundredths percent (0.87%) shall be paid to the State
10 Treasurer to be further apportioned as follows:

11 (1) twenty-four percent (24%) shall be placed to the
12 credit of the Oklahoma Tourism Promotion
13 Revolving Fund, but in no event shall such
14 apportionment exceed Five Million Dollars
15 (\$5,000,000.00) in any fiscal year,

16 (2) forty-four percent (44%) shall be placed to the
17 credit of the Oklahoma Tourism Capital
18 Improvement Revolving Fund, but in no event shall
19 such apportionment exceed Nine Million Dollars
20 (\$9,000,000.00) in any fiscal year, and

21 (3) thirty-two percent (32%) shall be placed to the
22 credit of the Oklahoma Route 66 Commission
23 Revolving Fund, but in no event shall such
24 apportionment exceed Six Million Six Hundred
25

1 Thousand Dollars (\$6,600,000.00) in any fiscal
2 year, and

3 b. any amounts which exceed the limitations of
4 subparagraph a of this paragraph shall be placed to
5 the credit of the General Revenue Fund; and

6 5. ~~For the fiscal year beginning July 1, 2015, and for each~~
7 ~~fiscal year thereafter~~ fiscal years 2016 through 2025, six one-
8 hundredths percent (0.06%) shall be placed to the credit of the
9 Oklahoma Historical Society Capital Improvement and Operations
10 Revolving Fund, but in no event shall such apportionment exceed the
11 total amount apportioned pursuant to this paragraph for the fiscal
12 year ending on June 30, 2015. For fiscal year 2026 and subsequent
13 fiscal years, six one-hundredths percent (0.06%) shall be placed to
14 the credit of the Oklahoma Historical Society Capital Improvement
15 and Operations Revolving Fund, but in no event shall the
16 apportionment exceed One Million Eight Hundred Eighty Thousand Five
17 Hundred Fifty-three Dollars and twenty-five cents (\$1,880,553.25).

18 Any amounts which exceed the limitations of this paragraph shall be
19 placed to the credit of the General Revenue Fund.

20 B. Provided, for the fiscal year beginning July 1, 2007, and
21 every fiscal year thereafter, an amount of revenue shall be
22 apportioned to each municipality or county which levies a sales tax
23 subject to the provisions of Section 1357.10 of this title and
24 subsection F of Section 2701 of this title equal to the amount of

1 sales tax revenue of such municipality or county exempted by the
2 provisions of Section 1357.10 of this title and subsection F of
3 Section 2701 of this title. The Oklahoma Tax Commission shall
4 promulgate and adopt rules necessary to implement the provisions of
5 this subsection.

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

9 1. For the month ending August 31, 2019:

- 10 a. Nine Million Six Hundred Thousand Dollars
11 (\$9,600,000.00) to the credit of the State Highway
12 Construction and Maintenance Fund created in Section
13 1501 of Title 69 of the Oklahoma Statutes, and
14 b. Two Million Dollars (\$2,000,000.00) to the credit of
15 the Oklahoma Railroad Maintenance Revolving Fund
16 created in Section 309 of Title 66 of the Oklahoma
17 Statutes;

18 2. For the month ending September 30, 2019:

- 19 a. Twenty Million Dollars (\$20,000,000.00) to the credit
20 of the State Highway Construction and Maintenance Fund
21 created in Section 1501 of Title 69 of the Oklahoma
22 Statutes, and
23 b. Two Million Dollars (\$2,000,000.00) to the credit of
24 the Oklahoma Railroad Maintenance Revolving Fund

1 created in Section 309 of Title 66 of the Oklahoma
2 Statutes;

3 3. For the month ending October 31, 2019:

4 a. Twenty Million Dollars (\$20,000,000.00) to the credit
5 of the State Highway Construction and Maintenance Fund
6 created in Section 1501 of Title 69 of the Oklahoma
7 Statutes, and

8 b. Two Million Dollars (\$2,000,000.00) to the credit of
9 the Oklahoma Railroad Maintenance Revolving Fund
10 created in Section 309 of Title 66 of the Oklahoma
11 Statutes;

12 4. For the month ending November 30, 2019:

13 a. Twenty Million Dollars (\$20,000,000.00) to the credit
14 of the State Highway Construction and Maintenance Fund
15 created in Section 1501 of Title 69 of the Oklahoma
16 Statutes, and

17 b. Two Million Dollars (\$2,000,000.00) to the credit of
18 the Oklahoma Railroad Maintenance Revolving Fund
19 created in Section 309 of Title 66 of the Oklahoma
20 Statutes; and

21 5. For the month ending December 31, 2019:

22 a. Twenty Million Dollars (\$20,000,000.00) to the credit
23 of the State Highway Construction and Maintenance Fund
24

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

3 b. Two Million Dollars (\$2,000,000.00) 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 D. For fiscal year 2029, and each subsequent fiscal year, Fifty
8 Million Dollars (\$50,000,000.00) shall be placed to the credit of
9 the Oklahoma Capital Assets Maintenance and Protection Fund created
10 in Section ~~2~~ 188B of ~~this act~~ Title 73 of the Oklahoma Statutes.

11 SECTION 2. AMENDATORY 68 O.S. 2021, Section 1403, is
12 amended to read as follows:

13 Section 1403. A. It is hereby declared to be the purpose of
14 Section 1401 et seq. of this title to provide for the support of the
15 functions of the state and local government of Oklahoma; and for
16 this purpose and to this end, it is hereby expressly provided that
17 the revenues derived hereunder, subject to the apportionment
18 provided in subsection B of this section and to the apportionment
19 requirements for the Oklahoma Tax Commission and Office of
20 Management and Enterprise Services Joint Computer Enhancement Fund
21 provided by Section 265 of this title, are hereby apportioned as
22 follows:

23 1. The following amounts shall be paid by the Tax Commission to
24 the State Treasurer and placed to the credit of the General Revenue
25

1 Fund to be paid out pursuant to direct appropriation by the
2 Legislature:

3 Fiscal Year	Amount
4 FY 2004	85.35%
5 FY 2005	85.14%
6 FY 2006	85.54%
7 FY 2007	85.04%
8 FY 2008 through FY 2022	83.61%
9 FY 2023 through FY 2027	83.36%
10 FY 2028 and each fiscal year thereafter	83.61%;

11 2. The following amounts shall be paid to the State Treasurer
12 to be placed to the credit of the Education Reform Revolving Fund of
13 the State Department of Education:

14 a. for FY 2020, ten and forty-six one-hundredths percent
15 (10.46%),

16 b. for FY 2021:

17 (1) for the month beginning July 1, 2020, through the
18 month ending August 31, 2020, ten and forty-six
19 one-hundredths percent (10.46%), and

20 (2) for the month beginning September 1, 2020,
21 through the month ending June 30, 2021, eleven
22 and ninety-six one-hundredths percent (11.96%),
23 and

c. for FY 2022 and each fiscal year thereafter, ten and forty-six one-hundredths percent (10.46%);

3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System 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 through FY 2020	5.0%
FY 2021:	
a. for the month beginning July 1, 2020, through the month ending August 31, 2020	5.0%
b. for the month beginning September 1, 2020, through the month ending June 30, 2021	3.5%
FY 2022	5.0%
FY 2023 through FY 2027	5.25%
FY 2028 and each fiscal year thereafter	5.0%;

4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015,

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

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

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

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

19 5. ~~For the fiscal year beginning July 1, 2015, and for each~~
20 ~~fiscal year thereafter~~ fiscal years 2016 through 2025, six one-
21 hundredths percent (0.06%) shall be placed to the credit of the
22 Oklahoma Historical Society Capital Improvement and Operations
23 Revolving Fund, but in no event shall such apportionment exceed the
24 total amount apportioned pursuant to this paragraph for the fiscal

1 year ending on June 30, 2015. For fiscal year 2026 and subsequent
2 fiscal years, six one-hundredths percent (0.06%) shall be placed to
3 the credit of the Oklahoma Historical Society Capital Improvement
4 and Operations Revolving Fund, but in no event shall the
5 apportionment exceed Three Hundred Seventy Thousand Two Hundred
6 Seventy-four Dollars and forty-three cents (\$370,274.43). Any
7 amounts which exceed the limitations of this paragraph shall be
8 placed to the credit of the General Revenue Fund.

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

13 FY 2019 \$19,600,000.00; and

14 FY 2020 and each year thereafter \$20,500,000.00.

15 SECTION 3. This act shall become effective July 1, 2025.

16 SECTION 4. It being immediately necessary for the preservation
17 of the public peace, health or safety, an emergency is hereby
18 declared to exist, by reason whereof this act shall take effect and
19 be in full force from and after its passage and approval.

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