

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1283

6 By: Treat, Jett, and Rogers

7 COMMITTEE SUBSTITUTE

8 An Act relating to sales tax; amending 68 O.S. 2021,
9 Section 1352, as amended by Section 1 of Enrolled
10 House Bill No. 1955 of the 2nd Session of the 59th
11 Oklahoma Legislature, which relates to definitions;
12 defining terms; modifying definition; updating
13 statutory language; amending Section 2 of Enrolled
14 House Bill No. 1955 of the 2nd Session of the 59th
15 Oklahoma Legislature, which relates to tax rate on
16 food and food ingredients; and stipulating that
17 certain rate shall not apply to certain jurisdictions
18 in this state.

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

20 SECTION 1. AMENDATORY 68 O.S. 2021, Section 1352, as
21 amended by Section 1 of Enrolled House Bill No. 1955 of the 2nd
22 Session of the 59th Oklahoma Legislature, is amended to read as
23 follows:

24 Section 1352. As used in the Oklahoma Sales Tax Code:

1. "Alcoholic beverages" means beverages that are suitable for
human consumption and contain one-half of one percent (0.5%) or more
of alcohol by volume;

1 2. "Bottled water" means water that is placed in a safety
2 sealed container or package for human consumption. Bottled water is
3 calorie-free and does not contain sweeteners or other additives
4 except that it may contain:

5 a. antimicrobial agents,

6 b. fluoride,

7 c. carbonation,

8 d. vitamins, minerals, and electrolytes,

9 e. oxygen,

10 f. preservatives, and

11 g. only those flavors, extracts, or essences derived from
12 a spice or fruit;

13 3. "Bundled transaction" means the retail sale of two or more
14 products, except real property and services to real property, where
15 the products are otherwise distinct and identifiable, and the
16 products are sold for one nonitemized price. A ~~"bundled~~
17 ~~transaction"~~ bundled transaction does not include the sale of any
18 products in which the sales price varies, or is negotiable, based on
19 the selection by the purchaser of the products included in the
20 transaction. As used in this paragraph:

21 a. "distinct and identifiable products" does not include:

- 22 (1) packaging such as containers, boxes, sacks, bags,
23 and bottles, or other materials such as wrapping,
24 labels, tags, and instruction guides, that

1 accompany the retail sale of the products and are
2 incidental or immaterial to the retail sale
3 thereof, including but not limited to, grocery
4 sacks, shoeboxes, dry cleaning garment bags and
5 express delivery envelopes and boxes,

6 (2) a product provided free of charge with the
7 required purchase of another product. A product
8 is provided free of charge if the sales price of
9 the product purchased does not vary depending on
10 the inclusion of the product provided free of
11 charge, or

12 (3) items included in the definition of gross
13 receipts or sales price, pursuant to this
14 section,

15 b. "one nonitemized price" does not include a price that
16 is separately identified by product on binding sales
17 or other supporting sales-related documentation made
18 available to the customer in paper or electronic form
19 including, but not limited to, an invoice, bill of
20 sale, receipt, contract, service agreement, lease
21 agreement, periodic notice of rates and services, rate
22 card, or price list,

1 A transaction that otherwise meets the definition of a
2 bundled transaction shall not be considered a bundled
3 transaction if it is:

4 (1) the retail sale of tangible personal property and
5 a service where the tangible personal property is
6 essential to the use of the service, and is
7 provided exclusively in connection with the
8 service, and the true object of the transaction
9 is the service,

10 (2) the retail sale of services where one service is
11 provided that is essential to the use or receipt
12 of a second service and the first service is
13 provided exclusively in connection with the
14 second service and the true object of the
15 transaction is the second service,

16 (3) a transaction that includes taxable products and
17 nontaxable products and the purchase price or
18 sales price of the taxable products is de
19 minimis. For purposes of this subdivision, "de
20 minimis" means the seller's purchase price or
21 sales price of taxable products is ten percent
22 (10%) or less of the total purchase price or
23 sales price of the bundled products. Sellers
24 shall use either the purchase price or the sales

1 price of the products to determine if the taxable
2 products are de minimis. Sellers may not use a
3 combination of the purchase price and sales price
4 of the products to determine if the taxable
5 products are de minimis. Sellers shall use the
6 full term of a service contract to determine if
7 the taxable products are de minimis, or

8 (4) the retail sale of exempt tangible personal
9 property and taxable tangible personal property
10 where:

11 (a) the transaction includes food and food
12 ingredients, drugs, durable medical
13 equipment, mobility enhancing equipment,
14 over-the-counter drugs, prosthetic devices
15 or medical supplies, and

16 (b) the seller's purchase price or sales price
17 of the taxable tangible personal property is
18 fifty percent (50%) or less of the total
19 purchase price or sales price of the bundled
20 tangible personal property. Sellers may not
21 use a combination of the purchase price and
22 sales price of the tangible personal
23 property when making the fifty percent (50%)
24 determination for a transaction;

1 ~~3.~~ 4. "Business" means any activity engaged in or caused to be
2 engaged in by any person with the object of gain, benefit, or
3 advantage, either direct or indirect;

4 ~~4.~~ 5. "Candy" means a preparation of sugar, honey, or other
5 natural or artificial sweeteners in combination with chocolate,
6 fruits, nuts, or other ingredients or flavorings in the form of
7 bars, drops, or pieces. Candy shall not include any preparation
8 containing flour or requiring refrigeration;

9 ~~5.~~ 6. "Commission" or "Tax Commission" means the Oklahoma Tax
10 Commission;

11 ~~6.~~ 7. "Computer" means an electronic device that accepts
12 information in digital or similar form and manipulates it for a
13 result based on a sequence of instructions;

14 ~~7.~~ 8. "Computer software" means a set of coded instructions
15 designed to cause a ~~"computer"~~ computer or automatic data processing
16 equipment to perform a task;

17 ~~8.~~ 9. "Consumer" or "user" means a person to whom a taxable
18 sale of tangible personal property is made or to whom a taxable
19 service is furnished. ~~"Consumer"~~ Consumer or ~~"user"~~ user includes
20 all contractors to whom a taxable sale of materials, supplies,
21 equipment, or other tangible personal property is made or to whom a
22 taxable service is furnished to be used or consumed in the
23 performance of any contract;

24

1 ~~9.~~ 10. "Contractor" means any person who performs any
2 improvement upon real property and who, as a necessary and
3 incidental part of performing such improvement, incorporates
4 tangible personal property belonging to or purchased by the person
5 into the real property being improved;

6 ~~10.~~ 11. "Dietary supplements" means any product, other than
7 tobacco, intended to supplement the diet that:

8 a. contains one or more of the following dietary
9 ingredients:

10 (1) a vitamin,

11 (2) a mineral,

12 (3) an herb or other botanical,

13 (4) an amino acid,

14 (5) a dietary substance to supplement the diet by
15 increasing the total dietary intake, or

16 (6) a concentrate, metabolite, constituent, extract,
17 or combination of any ingredient described in
18 divisions (1) through (5) of this subparagraph,

19 b. is intended for ingestion in tablet, capsule, powder,
20 softgel, gelcap, or liquid form, or, if not intended
21 for ingestion in such form, is not represented as
22 conventional food and is not represented for use as a
23 sole item of a meal or of the diet, and
24

1 c. is required to be labeled as a dietary supplement,
2 identifiable by the label and as required pursuant to
3 Section 101.36 of Title 21 of the Code of Federal
4 Regulations;

5 ~~11.~~ 12. "Drug" means a compound, substance or preparation, and
6 any component of a compound, substance or preparation:

7 a. recognized in the official United States ~~Pharmacopoeia~~
8 Pharmacopeia, official Homeopathic Pharmacopoeia of
9 the United States, or official National Formulary, and
10 supplement to any of them,

11 b. intended for use in the diagnosis, cure, mitigation,
12 treatment, or prevention of disease, or

13 c. intended to affect the structure or any function of
14 the body;

15 ~~12.~~ 13. "Electronic" means relating to technology having
16 electrical, digital, magnetic, wireless, optical, electromagnetic,
17 or similar capabilities;

18 ~~13.~~ 14. "Established place of business" means the location at
19 which any person regularly engages in, conducts, or operates a
20 business in a continuous manner for any length of time, that is open
21 to the public during the hours customary to such business, in which
22 a stock of merchandise for resale is maintained, and which is not
23 exempted by law from attachment, execution, or other species of
24

1 forced sale barring any satisfaction of any delinquent tax liability
2 accrued under the Oklahoma Sales Tax Code;

3 ~~14.~~ 15. "Fair authority" means:

- 4 a. any county, municipality, school district, public
5 trust or any other political subdivision of this
6 state, or
- 7 b. any not-for-profit corporation acting pursuant to an
8 agency, operating or management agreement which has
9 been approved or authorized by the governing body of
10 any of the entities specified in subparagraph a of
11 this paragraph which conduct, operate or produce a
12 fair commonly understood to be a county, district or
13 state fair;

14 ~~15.~~ 16. "Food and food ingredients" means substances, whether
15 in liquid, concentrated, solid, frozen, dried, or dehydrated form,
16 that are sold for ingestion or chewing by humans and are consumed
17 for their taste or nutritional value. Food and food ingredients
18 shall include bottled water, candy, and soft drinks. Food and food
19 ingredients shall not include:

- 20 a. alcoholic beverages,
- 21 b. dietary supplements,
- 22 c. marijuana, usable marijuana, or marijuana-infused
23 products,
- 24 d. prepared food, or

1 e. tobacco;

2 ~~16.~~ 17. "Food sold with eating utensils provided by the seller"

3 means food sold by a seller who meets the following requirements:

- 4 a. for a seller with a prepared food sales percentage of
5 greater than seventy-five percent (75%), the seller
6 makes eating utensils available to purchasers or, if a
7 food item is bottled water, candy, or soft drinks, the
8 seller gives or hands the eating utensils to
9 purchasers or makes plates, bowls, glasses, or cups
10 that are necessary for the purchaser to receive the
11 food available to purchasers. If a food item has four
12 or more servings packaged as one food item sold for a
13 single price, the seller must give or hand eating
14 utensils to the purchaser. Serving sizes must be
15 determined based on a label on an item sold, or if no
16 label is available, then a seller shall determine the
17 reasonable number of servings in an item, or
- 18 b. for a seller with a prepared food sales percentage of
19 seventy-five percent (75%) or less, the seller's
20 business practice is to give or hand eating utensils
21 to purchasers. Eating utensils necessary for the
22 purchaser to receive the food, such as bowls and cups,
23 need only be made available to purchasers.

1 Provided, food sold with eating utensils provided by the seller
2 does not include food items that have a utensil placed in a package
3 with the food items by a person other than the seller, and that
4 other person's NAICS classification code is that of a manufacturer,
5 subsector 311. If the packager has any other NAICS classification
6 code, the seller is considered to have provided the eating utensil;

7 18. a. "Gross receipts", "gross proceeds" or "sales price"
8 means the total amount of consideration, including
9 cash, credit, property and services, for which
10 personal property or services are sold, leased or
11 rented, valued in money, whether received in money or
12 otherwise, without any deduction for the following:
13 (1) the seller's cost of the property sold,
14 (2) the cost of materials used, labor or service
15 cost,
16 (3) interest, losses, all costs of transportation to
17 the seller, all taxes imposed on the seller, and
18 any other expense of the seller,
19 (4) charges by the seller for any services necessary
20 to complete the sale, other than delivery and
21 installation charges,
22 (5) delivery charges and installation charges, unless
23 separately stated on the invoice, billing or
24 similar document given to the purchaser, and

1 (6) credit for any trade-in.

2 b. Such term shall not include:

3 (1) discounts, including cash, term, or coupons that
4 are not reimbursed by a third party that are
5 allowed by a seller and taken by a purchaser on a
6 sale,

7 (2) interest, financing, and carrying charges from
8 credit extended on the sale of personal property
9 or services, if the amount is separately stated
10 on the invoice, bill of sale or similar document
11 given to the purchaser, and

12 (3) any taxes legally imposed directly on the
13 consumer that are separately stated on the
14 invoice, bill of sale or similar document given
15 to the purchaser.

16 c. Such term shall include consideration received by the
17 seller from third parties if:

18 (1) the seller actually receives consideration from a
19 party other than the purchaser and the
20 consideration is directly related to a price
21 reduction or discount on the sale,

22 (2) the seller has an obligation to pass the price
23 reduction or discount through to the purchaser,
24

1 (3) the amount of the consideration attributable to
2 the sale is fixed and determinable by the seller
3 at the time of the sale of the item to the
4 purchaser, and

5 (4) one of the following criteria is met:

6 (a) the purchaser presents a coupon, certificate
7 or other documentation to the seller to
8 claim a price reduction or discount where
9 the coupon, certificate or documentation is
10 authorized, distributed or granted by a
11 third party with the understanding that the
12 third party will reimburse any seller to
13 whom the coupon, certificate or
14 documentation is presented,

15 (b) the purchaser identifies himself or herself
16 to the seller as a member of a group or
17 organization entitled to a price reduction
18 or discount; provided, a "preferred
19 customer" card that is available to any
20 patron does not constitute membership in
21 such a group, or

22 (c) the price reduction or discount is
23 identified as a third-party price reduction
24 or discount on the invoice received by the

1 purchaser or on a coupon, certificate or
2 other documentation presented by the
3 purchaser;

4 ~~17.~~ 19. a. "Maintaining a place of business in this state"
5 means and shall be presumed to include:

6 (1) (a) utilizing or maintaining in this state,
7 directly or by subsidiary, an office,
8 distribution house, sales house, warehouse,
9 or other physical place of business, whether
10 owned or operated by the vendor or any other
11 person, other than a common carrier acting
12 in its capacity as such, or

13 (b) having agents operating in this state,
14 whether the place of business or agent is
15 within this state temporarily or permanently
16 or whether the person or agent is authorized
17 to do business within this state, and

18 (2) the presence of any person, other than a common
19 carrier acting in its capacity as such, that has
20 substantial nexus in this state and that:

21 (a) sells a similar line of products as the
22 vendor and does so under the same or a
23 similar business name,
24

1 (b) uses trademarks, service marks or trade
2 names in this state that are the same or
3 substantially similar to those used by the
4 vendor,

5 (c) delivers, installs, assembles or performs
6 maintenance services for the vendor,

7 (d) facilitates the vendor's delivery of
8 property to customers in the state by
9 allowing the vendor's customers to pick up
10 property sold by the vendor at an office,
11 distribution facility, warehouse, storage
12 place or similar place of business
13 maintained by the person in this state, or

14 (e) conducts any other activities in this state
15 that are significantly associated with the
16 vendor's ability to establish and maintain a
17 market in this state for the vendor's sale.

18 b. The presumptions in divisions (1) and (2) of
19 subparagraph a of this paragraph may be rebutted by
20 demonstrating that the person's activities in this
21 state are not significantly associated with the
22 vendor's ability to establish and maintain a market in
23 this state for the vendor's sales.
24

1 c. Any ruling, agreement or contract, whether written or
2 oral, express or implied, between a person and
3 executive branch of this state, or any other state
4 agency or department, stating, agreeing or ruling that
5 the person is not ~~"maintaining a place of business in~~
6 ~~this state"~~ maintaining a place of business in this
7 state or is not required to collect sales and use tax
8 in this state despite the presence of a warehouse,
9 distribution center or fulfillment center in this
10 state that is owned or operated by the vendor or an
11 affiliated person of the vendor shall be null and void
12 unless it is specifically approved by a majority vote
13 of each house of the ~~Oklahoma~~ Legislature;

14 ~~18.~~ 20. "Manufacturing" means and includes the activity of
15 converting or conditioning tangible personal property by changing
16 the form, composition, or quality of character of some existing
17 material or materials, including natural resources, by procedures
18 commonly regarded by the average person as manufacturing,
19 compounding, processing or assembling, into a material or materials
20 with a different form or use. ~~"Manufacturing"~~ Manufacturing does
21 not include extractive industrial activities such as mining,
22 quarrying, logging, and drilling for oil, gas and water, nor oil and
23 gas field processes, such as natural pressure reduction, mechanical
24 separation, heating, cooling, dehydration and compression;

1 ~~19.~~ 21. "Manufacturing operation" means the designing,
2 manufacturing, compounding, processing, assembling, warehousing, or
3 preparing of articles for sale as tangible personal property. A
4 manufacturing operation begins at the point where the materials
5 enter the manufacturing site and ends at the point where a finished
6 product leaves the manufacturing site. ~~"Manufacturing operation"~~
7 Manufacturing operation does not include administration, sales,
8 distribution, transportation, site construction, or site
9 maintenance. Extractive activities and field processes shall not be
10 deemed to be a part of a manufacturing operation even when performed
11 by a person otherwise engaged in manufacturing;

12 ~~20.~~ 22. "Manufacturing site" means a location where a
13 manufacturing operation is conducted, including a location
14 consisting of one or more buildings or structures in an area owned,
15 leased, or controlled by a manufacturer;

16 ~~21.~~ 23. "Over-the-counter drug" means a drug that contains a
17 label that identifies the product as a drug as required by 21
18 C.F.R., Section 201.66. The over-the-counter-drug label includes:

- 19 a. a "Drug Facts" panel, or
- 20 b. a statement of the "active ingredient(s)" with a list
21 of those ingredients contained in the compound,
22 substance or preparation;

23 ~~22.~~ 24. "Person" means any individual, company, partnership,
24 joint venture, joint agreement, association, mutual or otherwise,

1 limited liability company, corporation, estate, trust, business
2 trust, receiver or trustee appointed by any state or federal court
3 or otherwise, syndicate, this state, any county, city, municipality,
4 school district, any other political subdivision of the state, or
5 any group or combination acting as a unit, in the plural or singular
6 number;

7 ~~23.~~ 25. "Prepared food" means:

- 8 a. food sold in a heated state or that is heated by the
9 seller,
- 10 b. two or more food ingredients mixed or combined by the
11 seller for sale as a single item, or
- 12 c. food sold with eating utensils provided by the seller,
13 including plates, knives, forks, spoons, glasses,
14 cups, napkins, or straws, but does not include a
15 container or packaging used to transport the food, and
- 16 d. prepared food shall not include:

17 (1) food sold by a seller whose primary North
18 American Industry Classification System (NAICS)
19 classification is manufacturing in Sector 311,
20 except subsector 3118,

21 (2) food sold in an unheated state by weight or
22 volume as a single item,

23 (3) bakery items including bread rolls, buns,
24 biscuits, bagels, croissants, pastries, donuts,

1 Danish, cakes, tortes, pies, tarts, muffins,
2 bars, cookies, and tortillas, and

3 (4) food sold that ordinarily requires additional
4 cooking, not including just reheating, by the
5 consumer prior to consumption;

6 24. 26. "Prescription" means an order, formula or recipe issued
7 in any form of oral, written, electronic, or other means of
8 transmission by a duly licensed "practitioner" as defined in Section
9 1357.6 of this title;

10 25. 27. "Prewritten computer software" means ~~"computer~~
11 ~~software"~~ computer software, including prewritten upgrades, which is
12 not designed and developed by the author or other creator to the
13 specifications of a specific purchaser. The combining of two or
14 more prewritten computer software programs or prewritten portions
15 thereof does not cause the combination to be other than prewritten
16 computer software. Prewritten software includes software designed
17 and developed by the author or other creator to the specifications
18 of a specific purchaser when it is sold to a person other than the
19 purchaser. Where a person modifies or enhances computer software of
20 which the person is not the author or creator, the person shall be
21 deemed to be the author or creator only of such person's
22 modifications or enhancements. Prewritten software or a prewritten
23 portion thereof that is modified or enhanced to any degree, where
24 such modification or enhancement is designed and developed to the

1 specifications of a specific purchaser, remains prewritten software;
2 provided, however, that where there is a reasonable, separately
3 stated charge or an invoice or other statement of the price given to
4 the purchaser for such modification or enhancement, such
5 modification or enhancement shall not constitute prewritten computer
6 software;

7 ~~26.~~ 28. "Repairman" means any person who performs any repair
8 service upon tangible personal property of the consumer, whether or
9 not the repairman, as a necessary and incidental part of performing
10 the service, incorporates tangible personal property belonging to or
11 purchased by the repairman into the tangible personal property being
12 repaired;

13 ~~27.~~ 29. "Sale" means the transfer of either title or possession
14 of tangible personal property for a valuable consideration
15 regardless of the manner, method, instrumentality, or device by
16 which the transfer is accomplished in this state, or other
17 transactions as provided by this paragraph, including but not
18 limited to:

- 19 a. the exchange, barter, lease, or rental of tangible
20 personal property resulting in the transfer of the
21 title to or possession of the property,
- 22 b. the disposition for consumption or use in any business
23 or by any person of all goods, wares, merchandise, or
24

1 property which has been purchased for resale,
2 manufacturing, or further processing,

3 c. the sale, gift, exchange, or other disposition of
4 admission, dues, or fees to clubs, places of
5 amusement, or recreational or athletic events or for
6 the privilege of having access to or the use of
7 amusement, recreational, athletic or entertainment
8 facilities,

9 d. the furnishing or rendering of services taxable under
10 the Oklahoma Sales Tax Code, and

11 e. any use of motor fuel or diesel fuel by a supplier, as
12 defined in Section 500.3 of this title, upon which
13 sales tax has not previously been paid, for purposes
14 other than to propel motor vehicles over the public
15 highways of this state. Motor fuel or diesel fuel
16 purchased outside the state and used for purposes
17 other than to propel motor vehicles over the public
18 highways of this state shall not constitute a sale
19 within the meaning of this paragraph;

20 ~~28.~~ 30. "Sale for resale" means:

21 a. a sale of tangible personal property to any purchaser
22 who is purchasing tangible personal property for the
23 purpose of reselling it within the geographical limits
24 of the United States of America or its territories or

1 possessions, in the normal course of business either
2 in the form or condition in which it is purchased or
3 as an attachment to or integral part of other tangible
4 personal property,

5 b. a sale of tangible personal property to a purchaser
6 for the sole purpose of the renting or leasing, within
7 the geographical limits of the United States of
8 America or its territories or possessions, of the
9 tangible personal property to another person by the
10 purchaser, but not if incidental to the renting or
11 leasing of real estate,

12 c. a sale of tangible goods and products within this
13 state if, simultaneously with the sale, the vendor
14 issues an export bill of lading, or other
15 documentation that the point of delivery of such goods
16 for use and consumption is in a foreign country and
17 not within the territorial confines of the United
18 States. If the vendor is not in the business of
19 shipping the tangible goods and products that are
20 purchased from the vendor, the buyer or purchaser of
21 the tangible goods and products is responsible for
22 providing an export bill of lading or other
23 documentation to the vendor from whom the tangible
24 goods and products were purchased showing that the

1 point of delivery of such goods for use and
2 consumption is a foreign country and not within the
3 territorial confines of the United States, or

- 4 d. a ~~sales~~ sale of any carrier access services, right of
5 access services, telecommunications services to be
6 resold, or telecommunications used in the subsequent
7 provision of, use as a component part of, or
8 integrated into, end-to-end telecommunications
9 service;

10 ~~29.~~ 31. "Soft drinks" means any nonalcoholic beverages that
11 contain natural or artificial sweeteners. Soft drinks shall not
12 include beverages that contain:

- 13 a. milk or milk products,
14 b. soy, rice, oat, or similar milk substitutes, or
15 c. greater than fifty percent (50%) of vegetable or fruit
16 juice by volume;

17 ~~30.~~ 32. "Tangible personal property" means personal property
18 that can be seen, weighed, measured, felt, or touched or that is in
19 any other manner perceptible to the senses. ~~"Tangible personal
20 property"~~ Tangible personal property includes electricity, water,
21 gas, steam and prewritten computer software. This definition shall
22 be applicable only for purposes of the Oklahoma Sales Tax Code;

23 ~~31.~~ 33. "Taxpayer" means any person liable to pay a tax imposed
24 by the Oklahoma Sales Tax Code;

1 ~~32.~~ 34. "Tax period" or "taxable period" means the calendar
2 period or the taxpayer's fiscal period for which a taxpayer has
3 obtained a permit from the Tax Commission to use a fiscal period in
4 lieu of a calendar period;

5 ~~33.~~ 35. "Tax remitter" means any person required to collect,
6 report, or remit the tax imposed by the Oklahoma Sales Tax Code. A
7 tax remitter who fails, for any reason, to collect, report, or remit
8 the tax shall be considered a taxpayer for purposes of assessment,
9 collection, and enforcement of the tax imposed by the Oklahoma Sales
10 Tax Code; and

11 ~~34.~~ 36. "Vendor" means:

- 12 a. any person making sales of tangible personal property
13 or services in this state, the gross receipts or gross
14 proceeds from which are taxed by the Oklahoma Sales
15 Tax Code,
16 b. any person maintaining a place of business in this
17 state and making sales of tangible personal property
18 or services, whether at the place of business or
19 elsewhere, to persons within this state, the gross
20 receipts or gross proceeds from which are taxed by the
21 Oklahoma Sales Tax Code,
22 c. any person who solicits business by employees,
23 independent contractors, agents, or other
24 representatives in this state, and thereby makes sales

1 to persons within this state of tangible personal
2 property or services, the gross receipts or gross
3 proceeds from which are taxed by the Oklahoma Sales
4 Tax Code, or

- 5 d. any person, pursuant to an agreement with the person
6 with an ownership interest in or title to tangible
7 personal property, who has been entrusted with the
8 possession of any such property and has the power to
9 designate who is to obtain title, to physically
10 transfer possession of, or otherwise make sales of the
11 property.

12 SECTION 2. AMENDATORY Section 2 of Enrolled House Bill
13 No. 1955 of the 2nd Session of the 59th Oklahoma Legislature, is
14 amended to read as follows:

15 A. 1. On or after the effective date of this act, an excise
16 tax of zero percent (0%) is hereby imposed upon all retail sales of
17 food and food ingredients sold for human consumption off the
18 premises where sold. The state sales tax rate of zero percent (0%)
19 levied upon sales of food and food ingredients shall not apply to
20 any city, town, county, or any other jurisdiction in this state.

21 2. Any sales tax or excise tax levied by a city, town, county,
22 or any other jurisdiction in this state upon sales of food and food
23 ingredients shall be in effect regardless of ordinance or
24

1 contractual provisions referring to previously imposed state sales
2 tax on the items.

3 3. On or after the effective date of this act, until June 30,
4 2025, a county or a municipality that submits the question of a
5 sales tax or excise tax to its voters shall provide that the
6 increased rate does not apply to "food and food ingredients" as that
7 term is defined in Section 1352 of Title 68 of the Oklahoma
8 Statutes.

9 B. The Oklahoma Tax Commission shall promulgate any necessary
10 rules to implement the provisions of this section in accordance with
11 the Streamlined Sales and Use Tax Agreement.

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