

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 COMMITTEE SUBSTITUTE

4 FOR

HOUSE BILL NO. 2780

By: Pfeiffer

5
6
7 COMMITTEE SUBSTITUTE

8 An Act relating to state revenue administration;
9 amending 68 O.S. 2011, Section 227, as last amended
10 by Section 1, Chapter 358, O.S.L. 2016 (68 O.S. Supp.
11 2020, Section 227), which relates to claims for
12 refunds; providing specified exception to
13 authorization for refund of taxes paid erroneously;
14 amending 68 O.S. 2011, Section 253, as amended by
15 Section 1, Chapter 273, O.S.L. 2014 (68 O.S. Supp.
16 2020, Section 253), which relates to liability for
17 payment of taxes; adding unpaid mixed beverage gross
18 receipts tax to those taxes for which certain
19 individuals may be personally liable; authorizing
20 collection contracts with respect to certain excise
21 tax; amending 68 O.S. 2011, Section 254, which
22 relates to hearings before the Oklahoma Tax
23 Commission; prescribing procedures related to
24 garnishment; defining term; providing for liability
based upon willful actions; prescribing procedures;
authorizing forms and rules; amending 68 O.S. 2011,
2011, Section 255, which relates to debt collection
for unpaid taxes; modifying time period; amending 68
O.S. 2011, Section 1361.2, which relates to procedure
for claiming specified sales tax exemption for
certain disabled veterans; specifying conditions
under which certain refund may be claimed and
establishing related requirement; updating statutory
language; amending 68 O.S. 2011, Section 1501, which
relates to definitions; modifying definition to
exclude certain devices; amending Sections 5, 6 and
7, Chapter 260, O.S.L. 2018 (68 O.S. Supp. 2020,
Sections 2947.1, 2947.2 and 2947.3), which relate to
the County Government Education-Technical Revolving
Fund; authorizing direct apportionment of revenue to

1 specified entities by changing nature of specified
2 fund; modifying start date for certain
3 apportionments; conforming references; eliminating
4 requirement for specified reserve account; updating
5 reference; requiring Oklahoma Tax Commission to
6 distribute certain revenue under specified
7 circumstances; amending 68 O.S. 2011, Section 3204,
8 as amended by Section 4, Chapter 260, O.S.L. 2018 (68
9 O.S. Supp. 2020, Section 3204), which relates to
10 documentary stamp tax; conforming language; modifying
11 start date for certain apportionment; specifying
12 statutory authority; providing for transfer of
13 specified funds; amending 68 O.S. 2011, Section 3624,
14 as last amended by Section 3, Chapter 313, O.S.L.
15 2019 (68 O.S. Supp. 2020, Section 3624), which
16 relates to the Oklahoma Film Enhancement Rebate
17 Program; clarifying certain payments; limiting
18 liability for payments to balance of specified fund;
19 updating statutory reference; providing for
20 noncodification; providing for codification; and
21 providing an effective date.

22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858
859
860
861
862
863
864
865
866
867
868
869
870
871
872
873
874
875
876
877
878
879
880
881
882
883
884
885
886
887
888
889
890
891
892
893
894
895
896
897
898
899
900
901
902
903
904
905
906
907
908
909
910
911
912
913
914
915
916
917
918
919
920
921
922
923
924
925
926
927
928
929
930
931
932
933
934
935
936
937
938
939
940
941
942
943
944
945
946
947
948
949
950
951
952
953
954
955
956
957
958
959
960
961
962
963
964
965
966
967
968
969
970
971
972
973
974
975
976
977
978
979
980
981
982
983
984
985
986
987
988
989
990
991
992
993
994
995
996
997
998
999
1000

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

SECTION 1. AMENDATORY 68 O.S. 2011, Section 227, as last
amended by Section 1, Chapter 358, O.S.L. 2016 (68 O.S. Supp. 2020,
Section 227), is amended to read as follows:

Section 227. ~~(a) Any~~ A. Except as provided in subsection B of
Section 1361.2 of this title, any taxpayer who has paid to the State
of Oklahoma, through error of fact, or computation, or
misinterpretation of law, any tax collected by the Tax Commission
may, as hereinafter provided, be refunded the amount of such tax so
erroneously paid, without interest.

1 ~~(b)~~ ~~(1)~~ B. 1. Except as otherwise provided by ~~division (2)~~
2 paragraph 2 of this subsection, any taxpayer who has so paid any
3 such tax may, within three (3) years from the date of payment
4 thereof file with the Tax Commission a verified claim for refund of
5 such tax so erroneously paid. The Tax Commission may accept an
6 amended withholding tax or other report or return as a verified
7 claim for refund if the amended report or return establishes a
8 liability less than the original report or return previously filed.

9 ~~(2)~~ 2. Upon ~~the effective date of this act~~ August 26, 2016,
10 with respect to the sales tax imposed by Section 1354 of this title
11 and with respect to the use tax imposed by Section 1402 of this
12 title, any taxpayer who has so paid such sales or use tax may,
13 within two (2) years from the date of payment thereof file with the
14 Tax Commission a verified claim for refund of such tax so
15 erroneously paid. The Tax Commission may accept an amended sales or
16 use tax report or return as a verified claim for refund if the
17 amended report or return establishes a liability less than the
18 original report or return previously filed.

19 ~~(c)~~ Said C. The claim so filed with the Tax Commission, except
20 for an amended report or return, shall specify the name of the
21 taxpayer, the time when and period for which ~~said~~ the tax was paid,
22 the nature and kind of tax so paid, the amount of the tax which ~~said~~
23 the taxpayer claimed was erroneously paid, the grounds upon which a
24 refund is sought, and such other information or data relative to

1 such payment as may be necessary to an adjustment thereof by the Tax
2 Commission. It shall be the duty of the Commission to determine
3 what amount of refund, if any, is due as soon as practicable after
4 such claim has been filed and advise the taxpayer about the
5 correctness of his claim and the claim for refund shall be approved
6 or denied by written notice to the taxpayer.

7 ~~(d)~~ D. If the claim for refund is denied, the taxpayer may file
8 a demand for hearing with the Commission. The demand for hearing
9 must be filed on or before the sixtieth day after the date the
10 notice of denial was mailed. If the taxpayer fails to file a demand
11 for hearing, the claim for refund shall be barred.

12 ~~(e)~~ E. Upon the taxpayer's timely filing of a demand for
13 hearing, the Commission shall set a date for hearing upon the claim
14 for refund which date shall not be later than sixty (60) days from
15 the date the demand for hearing was mailed. The taxpayer shall be
16 notified of the time and place of the hearing. The hearing may be
17 held after the sixty-day period provided by this subsection upon
18 agreement of the taxpayer.

19 ~~(f)~~ F. The provisions of this section shall not apply: ~~(1) to~~

20 1. To refunds of income tax erroneously paid, refunds of which
21 tax shall be payable out of the income tax adjustment fund as
22 provided by law; ~~(2) to~~

23 2. To estate tax because the payment of such tax is covered by
24 an order of the Tax Commission and the estate and interested parties

1 are given notice that Commission's position and computation of the
2 tax will become final unless they protest and resist the payment
3 thereof as provided by statute; nor, ~~(3) in~~

4 3. In any case where the tax was paid after an assessment
5 thereof was made by the Tax Commission which assessment became final
6 under the law.

7 SECTION 2. AMENDATORY 68 O.S. 2011, Section 253, as
8 amended by Section 1, Chapter 273, O.S.L. 2014 (68 O.S. Supp. 2020,
9 Section 253), is amended to read as follows:

10 Section 253. A. When the Oklahoma Tax Commission files a
11 proposed assessment against corporations, limited liability
12 companies or other legal entities for unpaid sales taxes, mixed
13 beverage gross receipts tax collected pursuant to Section 5-105 of
14 Title 37A of the Oklahoma Statutes, withheld income taxes or motor
15 fuel taxes collected pursuant to Article 5, 6 or 7 of this title,
16 the Commission shall file such proposed assessments against the
17 individuals personally liable for the tax.

18 B. Any individual shall be liable for the payment of sales tax,
19 mixed beverage gross receipts tax, withheld income tax or motor fuel
20 tax if, during the period of time for which the assessment was made,
21 the individual was responsible for withholding or collection and
22 remittance of taxes or had direct control, supervision or
23 responsibility for filing returns and making payments of the tax due
24 the State of Oklahoma.

1 C. Personal liability for sales tax, mixed beverage gross
2 receipts tax, withheld income tax or motor fuel tax shall be
3 determined in accordance with the standards for determining
4 liability for payment of federal withholding tax pursuant to the
5 Internal Revenue Code of 1986, as amended, or regulations
6 promulgated pursuant to such section.

7 SECTION 3. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 255.1A of Title 68, unless there
9 is created a duplication in numbering, reads as follows:

10 In order to facilitate and expedite the collection of any state
11 tax as authorized to be assessed and collected by any state agency,
12 the Oklahoma Tax Commission may enter into a contract with any state
13 agency to assist in the collection of any state tax, penalties or
14 interest in which that agency has the authority to collect and
15 enforce. For providing such collection assistance, the Tax
16 Commission shall charge the state agency a fee not in excess of ten
17 percent (10%) of the total amount actually collected. All funds
18 retained by the Tax Commission for collection services shall be
19 deposited in the Tax Commission Reimbursement Fund in the State
20 Treasury. The Oklahoma Tax Commission and the Oklahoma Employment
21 Security Commission may enter into a contract whereby the Tax
22 Commission shall have authority to collect and enforce the
23 unemployment tax, penalties and interest thereon. Such collection
24 and enforcement authority shall apply to any unemployment tax,

1 penalties or interest where a determination that an employer owes
2 delinquent contributions, penalties or interest has become final,
3 and therefore, the Oklahoma Employment Security Commission shall be
4 entitled to proceed by levy to collect any delinquent contribution
5 and to collect any penalty or interest due and owing as a result of
6 the delinquency. The contract shall provide for the collection and
7 enforcement of the unemployment tax, interest and penalties in the
8 same manner as the collection and enforcement of any state tax
9 payable by any taxpayer subject to taxation under any state tax law.

10 SECTION 4. AMENDATORY 68 O.S. 2011, Section 254, is
11 amended to read as follows:

12 Section 254. A. Upon a hearing with notice the Oklahoma Tax
13 Commission shall be entitled to proceed by garnishment to collect
14 any delinquent tax and to collect any penalty or interest due and
15 owing as a result of a tax delinquency. Provided, that upon proper
16 application under the procedures outlined herein, the court may
17 issue an order continuing the garnishment for the collection of
18 delinquent taxes, penalties or interest until the total amount of
19 such delinquent taxes, penalties or interest have been collected.

20 B. The Oklahoma Tax Commission may garnish the accrued earnings
21 of a delinquent taxpayer employee by sending notice to the
22 taxpayer's employer. For the purpose of this section, "earnings"
23 means any form of payment to an individual including, but not
24 limited to, salary, wages, commission or other compensation, but

1 does not include reimbursements for travel expenses for state
2 employees. Such notice may be served by mail or by delivery by a
3 field agent of the Tax Commission to the taxpayer's employer along
4 with a copy to the delinquent taxpayer. Upon receipt of such notice
5 of delinquency, the employer shall withhold from compensation due,
6 or to become due to the employee, the total amount shown by the
7 notice. The Tax Commission may direct the employer to withhold part
8 of the amount due, not to exceed twenty-five percent (25%) of
9 earnings per pay period, until the total amount as shown by the
10 notice, plus interest and penalty, has been withheld and remitted to
11 the Tax Commission. The employer's response and calculation of
12 amounts withheld shall be on a form prescribed by the Tax
13 Commission.

14 C. Within seven (7) days after the end of each pay period, or
15 if the delinquent taxpayer does not have regular pay periods, within
16 thirty (30) days from the date of the notice, the employer shall
17 withhold amounts due or provide an explanation to the Tax Commission
18 why amounts due will not be withheld and remitted to the Tax
19 Commission. In any case in which the employee ceases to be employed
20 by the employer before the full amount set forth in the notice of
21 delinquency, plus delinquent penalty and interest, has been withheld
22 by the employer, the employer shall immediately notify the Tax
23 Commission in writing the date the employee resigned or was
24 terminated. Any employer who knowingly and willfully refuses to

1 respond by any means to the notice as provided in subsection B of
2 this section may be liable for the total amount as set forth in the
3 notice. The employer may not terminate delinquent taxpayer employee
4 based upon the notice of administrative wage garnishment.

5 D. An administrative wage garnishment may be issued after
6 ninety (90) days in which the tax has become delinquent, notice has
7 been sent to the taxpayer of the delinquency and possible remedies
8 to resolve the delinquency have been provided to the taxpayer, and a
9 tax warrant has been issued and filed pursuant to Section 231 of
10 this title. The taxpayer shall have ten (10) days after the
11 issuance of the notice to the employer to provide any additional
12 information to the Tax Commission for the garnishment of wages to be
13 withdrawn or released by the Tax Commission. The Tax Commission
14 shall withdraw or adjust the garnishment for wages upon proof to the
15 satisfaction of the Tax Commission that the delinquent tax, interest
16 and penalty referred to in the notice have been paid or the taxpayer
17 can show the wages subject to garnishment are exempt pursuant to
18 state or federal law.

19 E. The Tax Commission shall prescribe or approve forms and
20 promulgate rules and regulations for implementing the provisions of
21 this section.

22 SECTION 5. AMENDATORY 68 O.S. 2011, Section 255, is
23 amended to read as follows:

24

1 Section 255. A. In order to facilitate and expedite the
2 collection of taxes more than ninety (90) days overdue from any
3 taxpayer, the Oklahoma Tax Commission may enter into a contract with
4 a debt collection agency doing business in the State of Oklahoma or
5 in any other state for the collection of such delinquent taxes in
6 addition to all other taxes accrued or accruing, including penalties
7 and interest thereon, from the taxpayer. The contract shall only
8 authorize the debt collection agency to collect tax liabilities
9 which are already established and the Tax Commission shall not refer
10 accounts to the debt collection agency unless the Tax Commission has
11 notified the taxpayer, by first class mail, of the liability and has
12 made additional efforts to collect the debt. Provided, if a sales
13 tax permit holder fails to file two or more sales tax returns, as
14 required under Section 1365 of this title, or a taxpayer required to
15 remit withholding taxes fails to file two or more withholding tax
16 returns, as required under Section 2385.3 of this title, the Tax
17 Commission may refer the accounts to the debt collection agency
18 prior to the establishment of the tax liability, but only after the
19 Commission has notified the taxpayer as required under this
20 subsection.

21 B. If an account has been referred to a debt collection agency,
22 the Tax Commission shall review all payments posted by the
23 collection agency prior to commencing any further collection
24 activity against the taxpayer. Further, the collection agency shall

1 review all payments posted by the Tax Commission prior to commencing
2 any collection activity. The Tax Commission or the collection
3 agency shall, within ten (10) business days, provide the taxpayer
4 with a written confirmation of all payments received and any balance
5 due. In addition, the contract shall not authorize the debt
6 collection agency to conduct audits or examine the books and records
7 of a taxpayer in any manner. The Tax Commission may also enter into
8 a contract with a person doing business in the State of Oklahoma or
9 in any other state for the purpose of identifying and locating the
10 assets of such delinquent taxpayer. Such contracts authorized by
11 this section shall be subject to the provisions of the Oklahoma
12 Central Purchasing Act.

13 C. In addition to the authority provided in subsection A of
14 this section, the Tax Commission may enter into a contract for the
15 purpose of identifying nonresident businesses and individuals who
16 are required by law to file and pay Oklahoma state taxes and who are
17 presently unknown to the Tax Commission.

18 D. Prior to entering into such a contract with a debt
19 collection agency, the Tax Commission shall require that the debt
20 collection agency file a bond in the amount of One Hundred Thousand
21 Dollars (\$100,000.00). The bond shall be a bond from a surety
22 company chartered or authorized to do business in this state, cash
23 bond, certificates of deposits, certificates of savings or U.S.

24

1 Treasury bonds, as the Tax Commission may deem necessary to
2 guarantee compliance with the terms of the contract.

3 E. Each contract entered into by the Tax Commission with a debt
4 collection agency, pursuant to the provisions of this section, shall
5 specify that fees for services rendered, reimbursements or other
6 remuneration shall be based on the total amount of delinquent taxes,
7 including accrued penalties and interest, which is actually
8 collected. No costs shall be reimbursed unless authorized in the
9 contract. Each contract entered into between the Tax Commission and
10 a debt collection agency shall provide for the payment of fees for
11 such services, reimbursements or other remuneration not in excess of
12 thirty-five percent (35%) of the total amount of delinquent taxes,
13 penalty and interest actually collected. The debt collection agency
14 contract fee shall be added to the amount of the delinquent taxes,
15 accrued penalties and interest collected from the taxpayer. The
16 total amount of the delinquent tax, accrued penalties and interest,
17 and the debt collection agency contract fee shall be owed and
18 collected from the taxpayer.

19 F. Each contract entered into by the Tax Commission with a
20 person for the purpose of identifying and locating assets of
21 delinquent taxpayers shall specify the amount of money to be paid
22 for the performance of such services. No costs shall be reimbursed
23 unless authorized in the contract.

24

1 G. All such funds collected by a debt collection agency,
2 including the fees for collection services as provided for in such
3 contract, shall be remitted to the Tax Commission within ~~five (5)~~
4 fifteen (15) days from the date of collection from a taxpayer. The
5 Tax Commission shall pay from such remitted fees the amount of fees
6 to which such debt collecting agency is entitled for services
7 performed pursuant to the provisions of such contract. All assets
8 of such delinquent taxpayers which are identified and located shall
9 be reported to the Tax Commission within ~~five (5)~~ fifteen (15) days
10 from the date of identification and location. Forms to be used for
11 such remittances and reports shall be prescribed by the Tax
12 Commission.

13 H. A debt collection agency entering into a contract with the
14 Tax Commission or a person entering into a contract with the Tax
15 Commission for asset location purposes pursuant to this section
16 shall agree that it is receiving income from sources within this
17 state or doing business in this state for purposes of the Oklahoma
18 tax laws. Debt collection agency employees and/or their agents
19 shall not disclose confidential tax information except as authorized
20 by Section 205 of this title, subject to the penalties contained
21 therein.

22 SECTION 6. AMENDATORY 68 O.S. 2011, Section 1361.2, is
23 amended to read as follows:
24

1 Section 1361.2 A. In order to claim the exemption authorized
2 by paragraph 34 of Section 1357 of ~~Title 68 of the Oklahoma Statutes~~
3 this title, the person to whom the sale is made shall be required to
4 furnish the vendor proof of eligibility for the exemption as issued
5 by the Oklahoma Tax Commission. All vendors shall honor the proof
6 of eligibility for sales tax exemption and sales for the benefit of
7 the disabled veteran to a person providing such proof shall be
8 exempt from the tax levied pursuant to the Oklahoma Sales Tax Code.

9 B. A claim for refund of sales taxes erroneously paid may only
10 be made if a vendor refuses to honor the proof of eligibility issued
11 by the Tax Commission for the exemption authorized pursuant to
12 paragraph 34 of Section 1357 of this title and the person eligible
13 for the exemption submits to the Tax Commission a signed
14 notification of the vendor's denial of exemption on a form
15 prescribed by the Commission.

16 SECTION 7. AMENDATORY 68 O.S. 2011, Section 1501, is
17 amended to read as follows:

18 Section 1501. As used in Sections 1501 through 1512 of this
19 title:

20 1. "Person" means any individual, partnership, association,
21 limited liability company or corporation;

22 2. "Music device" means any and all mechanical devices which
23 render, cause to sound, or release music where the same may be heard
24 by one or more public patrons, and each separate loudspeaker,

1 phonograph, juke box, or outlet from which such music emits shall
2 each be construed to be a separate "music device" as herein defined;
3 except in the case where the music emits from more than one speaker
4 transmitting from the same music-producing mechanism, in which case
5 the several outlets or speakers in each place of business shall be
6 collectively considered one such music device;

7 3. "Coin-operated music device" means any such music device
8 which is operated, motivated, released, or played by or upon the
9 payment or insertion of a coin, token or similar object, whether
10 there is one or more boxes or devices in the premises for the
11 reception of such coin, tokens, or similar objects; coin-operated
12 radio or television receiving sets in hotels, motels, or tourist
13 cabins for the use and benefit of the guests and visitors of such
14 hotels, motels, or tourist rooms or cabins shall be included in such
15 definition;

16 4. "Coin-operated amusement device" means any and all
17 nongambling mechanical or electronic machines which, upon the
18 payment or insertion of a coin, token, or similar object, provide
19 music, amusement or entertainment, including, but not limited to,
20 such games as pool, phonographs, video television, shooting
21 galleries, pinball, foosball, bowling, shuffle board, or any other
22 amusement device with or without a replay feature which can be
23 legally shipped interstate according to federal law;

24

1 5. "Coin-operated vending device" means any and all machines or
2 devices which, upon the payment or insertion of a coin, token or
3 similar object, dispenses tangible personal property, including but
4 not limited to cigarettes, candies, gum, cold drinks, hot drinks,
5 sandwiches, or chips. It shall not mean vending machines or devices
6 used exclusively for the purpose of selling services, such as pay
7 telephone booths, parking meters, gas and electric meters or other
8 distribution of needful service;

9 6. "Coin-operated bulk vending device" means a machine or
10 device which, upon the payment or insertion of a coin, token or
11 similar object dispenses to the purchaser ballpoint pens, combs,
12 cigarette lighters, prophylactics, filled capsules, peanuts, gum
13 balls, mints, perfume or novelties; and

14 7. "Coin-operated devices" means coin-operated music devices,
15 coin-operated amusement devices, coin-operated vending devices and
16 coin-operated bulk vending devices. Coin-operated devices shall not
17 include any device dispensing tangible personal property or
18 providing amusement where payment is made solely through the use of
19 a credit or debit card or other electronic or digital payment
20 process.

21 SECTION 8. AMENDATORY Section 5, Chapter 260, O.S.L.
22 2018 (68 O.S. Supp. 2020, Section 2947.1), is amended to read as
23 follows:
24

1 Section 2947.1 There is hereby created in the State Treasury a
2 ~~revolving fund~~ an agency special account for the Oklahoma Tax
3 Commission ~~to be designated the "County Government Education-~~
4 ~~Technical Revolving Fund"~~. ~~The fund shall be a continuing fund, not~~
5 ~~subject to fiscal year limitations, and shall consist of all monies~~
6 ~~received by the Oklahoma Tax Commission from the apportionment~~ for
7 the collection and distribution of documentary stamp revenues as
8 provided by ~~Section 3204 of Title 68 of the Oklahoma Statutes. All~~
9 ~~monies accruing to the credit of said fund are hereby appropriated~~
10 ~~and may be budgeted and expended by the Oklahoma State University~~
11 ~~Center for Local Government Technology and the Oklahoma Cooperative~~
12 ~~Extension Service County Training Program for the purpose of~~
13 ~~education, training, research, software and computer modernization.~~
14 ~~The fund shall be subject to the oversight of the Commission on~~
15 ~~County Government Personnel Education and Training. Amounts~~
16 ~~deposited in any fiscal year shall be distributed by the Oklahoma~~
17 ~~Tax Commission as provided in Section 6 of this act. Expenditures~~
18 ~~from said fund shall be made upon warrants issued by the State~~
19 ~~Treasurer against claims filed as prescribed by law~~ Sections 2947.2
20 and 2947.3 of this title.

21 SECTION 9. AMENDATORY Section 6, Chapter 260, O.S.L.
22 2018 (68 O.S. Supp. 2020, Section 2947.2), is amended to read as
23 follows:
24

1 Section 2947.2 A. For the fiscal year ending ~~June 30, 2020~~
2 June 30, 2022, and for each fiscal year thereafter, ten percent
3 (10%) ~~deposited to the County Government Education Technical~~
4 ~~Revolving Fund in any fiscal year shall be distributed~~ of the
5 revenue collected pursuant to Section 3204 of this title shall be
6 apportioned by the Oklahoma Tax Commission monthly to the Oklahoma
7 Cooperative Extension Service for duties imposed on the Extension
8 Service pursuant to Sections 130.1 through 130.7 and Section 1500 of
9 Title 19 of the Oklahoma Statutes and Section 3006 of ~~Title 68 of~~
10 ~~the Oklahoma Statutes~~ this title.

11 B. For the fiscal year ending ~~June 30, 2020~~ June 30, 2022, and
12 for each fiscal year thereafter, eighty-eight and five-tenths
13 percent (88.5%) ~~deposited to the County Government Education-~~
14 ~~Technical Revolving Fund in any fiscal year shall be distributed~~ of
15 the revenue collected pursuant to Section 3204 of this title shall
16 be apportioned by the Oklahoma Tax Commission monthly to the
17 Oklahoma State University Center for Local Government Technology for
18 duties imposed pursuant to Sections 2816 and 2862 of ~~Title 68 of the~~
19 ~~Oklahoma Statutes~~ this title related to any training, support,
20 professional development, and additional software necessary for
21 county assessors, treasurers and boards of equalization, and the
22 acquisition and administration of a computer-assisted mass appraisal
23 software system for county governments; provided, the Oklahoma State
24 University Center for Local Government Technology may delay the

1 acquisition of such software until such time as sufficient funds are
2 available.

3 C. After the computer-assisted mass appraisal software
4 acquisition is complete and associated costs are paid, any county
5 which elects not to participate in the Oklahoma State University
6 Center for Local Government Technology's computer-assisted mass
7 appraisal software system may apply to the Center for Local
8 Government Technology for a refund up to ten percent (10%) of such
9 county's ~~deposit to the revolving fund annually~~ annual documentary
10 stamp tax revenue apportionment received by the Center for Local
11 Government Technology; provided, if available funds are insufficient
12 for a ten-percent rebate, the percentage shall be adjusted so that
13 rebates may be paid.

14 SECTION 10. AMENDATORY Section 7, Chapter 260, O.S.L.
15 2018 (68 O.S. Supp. 2020, Section 2947.3), is amended to read as
16 follows:

17 Section 2947.3 A. ~~Within the County Government Education-~~
18 ~~Technical Revolving Fund there shall be established a reserve~~
19 ~~account. The reserve account shall consist of any~~ Any revenue not
20 otherwise apportioned pursuant to the provisions of subsection A or
21 ~~subsection B of Section 6 of this act~~ Section 2947.2 of this title
22 shall be deposited and maintained in the special agency account
23 created in Section 8 of this act subject to the procedures provided
24 in this section.

1 B. The maximum balance for the ~~reserve~~ agency special account
2 shall never exceed Two Million Dollars (\$2,000,000.00) at the end of
3 each fiscal year.

4 C. The Oklahoma State University Center for Local Government
5 Technology and the Oklahoma Cooperative Extension Service County
6 Training Program may request permission to expend funds in the
7 reserve account from the Commission on County Government Personnel
8 Education and Training. The Oklahoma Tax Commission shall, upon
9 written notification of expenditure approval from the Commission on
10 County Government Personnel Education and Training, distribute from
11 the agency special account the approved amount, if available, to the
12 Oklahoma State University Center for Local Government Technology or
13 the Oklahoma Cooperative Extension Service County Training Program,
14 as applicable.

15 D. The balance in the ~~reserve account of the County Government~~
16 ~~Education-Technical Revolving Fund~~ special agency account shall
17 serve as a contingency for adverse conditions if the distributions
18 provided for in subsections A and B of ~~Section 6 of this act~~ Section
19 2947.2 of this title are insufficient to support the purposes of
20 education training, research, software and computer modernization of
21 county governments.

22 E. For any fiscal year ending June 30, the Oklahoma Tax
23 Commission shall transfer any amount of revenue in excess of Two
24 Million Dollars (\$2,000,000.00) remaining in the ~~reserve account of~~

1 ~~the County Government Education Technical Revolving Fund~~ special
2 agency account to the General Revenue Fund of the State Treasury.

3 SECTION 11. AMENDATORY 68 O.S. 2011, Section 3204, as
4 amended by Section 4, Chapter 260, O.S.L. 2018 (68 O.S. Supp. 2020,
5 Section 3204), is amended to read as follows:

6 Section 3204. A. The Oklahoma Tax Commission shall design such
7 stamps in such denominations as in its judgment it deems necessary
8 for the administration of this tax. The Oklahoma Tax Commission
9 shall distribute the stamps to the county clerks of the counties of
10 this state, and the county clerks shall have the responsibility of
11 selling these stamps and shall have the further duty of accounting
12 for the stamps to the Oklahoma Tax Commission on the last day of
13 each month. Stamp metering machines or rubber stamps as prescribed
14 by the Oklahoma Tax Commission may be used by the county clerk, and
15 the expenses thereof shall be paid by the county concerned. The use
16 of meters or rubber stamps shall be governed by the Oklahoma Tax
17 Commission.

18 B. The county clerks shall account for all collections from the
19 sales of such stamps to the Oklahoma Tax Commission, on the last day
20 of each month. The first fifty-five cents (\$0.55) of each seventy-
21 five cents (\$0.75) collected shall be apportioned as follows:

22 1. The county clerks shall retain five percent (5%) of all
23 monies collected for such stamps as their cost of administration;
24 and

1 2. Of the remaining ninety-five percent (95%) the Oklahoma Tax
2 Commission shall ~~transfer monthly to the County Government~~
3 ~~Education-Technical Revolving Fund created by Section 5 of this act~~
4 apportion for the fiscal year ending ~~June 30, 2020~~ June 30, 2022,
5 and for each fiscal year thereafter, Five Hundred Thousand Dollars
6 (\$500,000.00) plus three percent (3%) of the remainder as provided
7 in Sections 2947.2 and 2947.3 of this title. The remainder of the
8 collections shall be transferred by the Oklahoma Tax Commission to
9 the General Revenue Fund of the State Treasury to be expended
10 pursuant to legislative appropriation.

11 C. The remaining twenty cents (\$0.20) of each seventy-five
12 cents (\$0.75) collected shall be paid into the county general fund.

13 SECTION 12. NEW LAW A new section of law not to be
14 codified in the Oklahoma Statutes reads as follows:

15 On the effective date of this act, all monies remaining in the
16 County Government Education-Technical Revolving Fund shall be
17 transferred to the agency special account created in Section 8 of
18 this act.

19 SECTION 13. AMENDATORY 68 O.S. 2011, Section 3624, as
20 last amended by Section 3, Chapter 313, O.S.L. 2019 (68 O.S. Supp.
21 2020, Section 3624), is amended to read as follows:

22 Section 3624. A. There is hereby created the Oklahoma Film
23 Enhancement Rebate Program. A rebate in the amount of up to
24 seventeen percent (17%) of documented expenditures made in Oklahoma

1 directly attributable to the production of a film, television
2 production, or television commercial, as defined in Section 3623 of
3 this title, in this state, may be paid to the production company
4 responsible for the production. Provided, for documented
5 expenditures made after July 1, 2009, the rebate amount shall be
6 thirty-five percent (35%), except as provided in subsection B of
7 this section.

8 B. The amount of rebate paid to the production company as
9 provided for in subsection A of this section shall be increased by
10 an additional two percent (2%) of documented expenditures if a
11 production company spends at least Twenty Thousand Dollars
12 (\$20,000.00) for the use of music created by an Oklahoma resident
13 that is recorded in Oklahoma or for the cost of recording songs or
14 music in Oklahoma for use in the production.

15 C. The rebate program shall be administered by the Office of
16 the Oklahoma Film and Music Commission and the Oklahoma Tax
17 Commission, as provided in the Compete with Canada Film Act.

18 D. To be eligible for a rebate payment:

19 1. The production company responsible for a film, television
20 production, or television commercial, as defined in Section 3623 of
21 this title, made in this state shall submit documentation to the
22 Office of the Oklahoma Film and Music Commission of the amount of
23 wages paid for employment in this state to residents of this state
24 directly relating to the production and the amount of other

1 production costs incurred in this state directly relating to the
2 production;

3 2. The production company has filed or will file any Oklahoma
4 tax return or tax document which may be required by law;

5 3. Except major studio productions, the production company
6 shall provide the name of the completion guarantor and a copy of the
7 bond guaranteeing the completion of the project or if a film has not
8 secured a completion bond, the production company shall provide
9 evidence that all Oklahoma crew and local vendors have been paid and
10 there are no liens against the production company pending in the
11 state;

12 4. The minimum budget for the film shall be Fifty Thousand
13 Dollars (\$50,000.00) of which not less than Twenty-five Thousand
14 Dollars (\$25,000.00) shall be expended in this state;

15 5. The production company shall provide evidence of financing
16 for production prior to the commencement of principal photography;
17 and

18 6. The production company shall provide evidence of a
19 certificate of general liability insurance with a minimum coverage
20 of One Million Dollars (\$1,000,000.00) and a workers' compensation
21 policy pursuant to state law, which shall include coverage of
22 employer's liability.

23 E. A production company shall not be eligible to receive both a
24 rebate payment pursuant to the provisions of ~~this act~~ Section 3621

1 et seq. of this title and an exemption from sales taxes pursuant to
2 the provisions of paragraph 23 of Section 1357 of this title. If a
3 production company has received such an exemption from sales taxes
4 and submits a claim for rebate pursuant to the provisions of the
5 Compete with Canada Film Act, the company shall be required to fully
6 repay the amount of the exemption to the Tax Commission. A claim
7 for a rebate shall include documentation from the Tax Commission
8 that repayment has been made as required herein or shall include an
9 affidavit from the production company that the company has not
10 received an exemption from sales taxes pursuant to the provisions of
11 paragraph 21 of Section 1357 of this title.

12 F. The Office shall approve or disapprove all claims for rebate
13 and shall notify the Tax Commission. The Tax Commission shall, upon
14 notification of approval from the Office of the Film and Music
15 Commission, issue payment for all approved claims from funds in the
16 Oklahoma Film Enhancement Rebate Program Revolving Fund created in
17 Section 3625 of this title. Excluding any rebate payments to high
18 impact productions as provided for in subsection G of this section,
19 the amount of ~~payments in~~ claims prequalified and approved by the
20 Office for any single fiscal year shall not exceed Eight Million
21 Dollars (\$8,000,000.00). If the amount of approved claims exceeds
22 the amount specified in this subsection in a fiscal year, payments
23 shall be made in the order in which the claims are approved by the
24 Office. If an approved claim is not paid in whole or in part, the

1 unpaid claim or unpaid portion may be paid in the following fiscal
2 year subject to the limitations specified in this subsection. The
3 liability of the State of Oklahoma to make incentive payments
4 pursuant to this act shall be limited to the balance of the Oklahoma
5 Film Enhancement Rebate Program Revolving Fund.

6 G. 1. At the time the Office of the Film and Music Commission
7 issues a conditional prequalification for a production, such
8 prequalification may include a proposed designation as a high impact
9 production, as defined in Section 3623 of this title.

10 2. The proposed designation must be approved by the Cabinet
11 Secretary for Commerce and Tourism.

12 3. If the high impact production otherwise meets all of the
13 requirements of the Compete With Canada Act and the Office gives
14 final approval to rebate claims, such rebate claims shall not be
15 subject to the Eight Million Dollar (\$8,000,000.00) cap provided for
16 in subsection F of this section.

17 4. The payment of a rebate claim approved by the Office for a
18 production designated as a high impact production by the Cabinet
19 Secretary may be made as follows:

20 a. by special appropriation to the Oklahoma Film
21 Enhancement Rebate Program Revolving Fund, if the
22 claim is approved during a regular or special session
23 of the Oklahoma Legislature, or
24

1 b. by payment from the Oklahoma Quick Action Closing Fund
2 pursuant to Section 48.2 of Title 62 of the Oklahoma
3 ~~Statues~~ Statutes, if the claim is approved when the
4 Oklahoma Legislature is not in session.

5 SECTION 14. This act shall become effective November 1, 2021.

6
7 58-1-7786 JM 02/25/21
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24