

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                                   2nd Session of the 56th Legislature (2018)

4 HOUSE BILL 3143

                                  By: Dunnington

7                                   AS INTRODUCED

8                   An Act relating to revenue and taxation; amending 68  
9                   O.S. 2011, Sections 1361.1 and 1362.2, which relate  
10                  to proofs of sales tax exemptions; providing certain  
11                  interpretation of certain phrase under certain  
12                  conditions; prohibiting certain acts by vendors under  
13                  certain conditions; and providing an effective date.

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

14           SECTION 1.           AMENDATORY           68 O.S. 2011, Section 1361.1, is  
15 amended to read as follows:

16           Section 1361.1 A. If a vendor, in good faith, timely accepts  
17 from a consumer properly completed documentation certified by the  
18 Oklahoma Tax Commission that such consumer is exempt from the taxes  
19 levied by the Oklahoma Sales Tax Code, the vendor shall be relieved  
20 of any liability for any sales tax or the duty to collect any sales  
21 tax imposed by the provisions of Section 1361 of this title upon  
22 such vendor with respect to such sale.

23           B. A vendor who has actual knowledge that a consumer is  
24 entitled to an exemption under paragraph 34 of Section 1357 of this

1 title and who willfully or intentionally refuses to honor the  
2 exemption shall be punished by an administrative fine of Five  
3 Hundred Dollars (\$500.00) per offense. A second or subsequent  
4 violation of this subsection shall be unlawful and constitute a  
5 misdemeanor offense punishable by a fine of not more than Five  
6 Hundred Dollars (\$500.00) per such offense, in addition to any  
7 administrative fine. The Tax Commission shall refer any vendor who  
8 has more than once willfully or intentionally refused to honor the  
9 exemption, whether fined or not, to the district attorney where the  
10 vendor is located for prosecution. For the purposes of this  
11 subsection, "vendor" means any individual most responsible for  
12 supervising, and the conduct of, any employee who intentionally  
13 refuses to honor the exemption including, but not limited to, a  
14 manager, owner, partner or corporate officer. For purposes of this  
15 subsection, a vendor is deemed to have actual knowledge that a  
16 consumer is entitled to an exemption under paragraph 34 of Section  
17 1357 of this title if the vendor has been presented by the consumer,  
18 proof of eligibility for the exemption as issued by the Oklahoma Tax  
19 Commission.

20 C. Any written communication between the Commission and any  
21 holder of a sales tax permit that is an attempt by the Commission to  
22 enforce the provisions of this section shall be public and,  
23 notwithstanding any other provision of law, no presumption of  
24 confidentiality shall exist for such communications. The Commission

1 shall, upon request of any consumer entitled to an exemption under  
2 paragraph 34 of Section 1357 of this title, transmit to such  
3 consumer copies of such communication.

4 SECTION 2. AMENDATORY 68 O.S. 2011, Section 1361.2, is  
5 amended to read as follows:

6 Section 1361.2 In order to claim the exemption authorized by  
7 paragraph 34 of Section 1357 of ~~Title 68 of the Oklahoma Statutes~~  
8 this title, the person to whom the sale is made shall be required to  
9 furnish the vendor proof of eligibility for the exemption as issued  
10 by the Oklahoma Tax Commission. All vendors shall honor the proof  
11 of eligibility for sales tax exemption and sales for the benefit of  
12 the disabled veteran to a person providing such proof shall be  
13 exempt from the tax levied pursuant to the Oklahoma Sales Tax Code.  
14 No vendor shall require a person to show additional verification to  
15 claim the exemption authorized by paragraph 34 of Section 1357 of  
16 this title if the person has furnished the vendor proof of  
17 eligibility for the exemption as issued by the Oklahoma Tax  
18 Commission.

19 SECTION 3. This act shall become effective November 1, 2018.

20  
21 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
22 03/01/2018 - DO PASS.  
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