

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

HOUSE BILL 3241

By: Lawson

AS INTRODUCED

An Act relating to the sales tax code; amending 68 O.S. 2021, Section 1353, as last amended by Section 2, Chapter 290, O.S.L. 2023 (68 O.S. Supp. 2023, Section 1353), which relates to apportionment of sales tax revenues; modifying the apportionment of sales tax revenue to the General Revenue Fund; modifying the apportionment of sales tax revenue further apportioned to the Oklahoma Tourism Promotion Revolving Fund, the Oklahoma Tourism Capital Improvement Revolving Fund, and the Oklahoma Route 66 Commission Revolving Fund; removing the limitation on apportionment to the Oklahoma Tourism Promotion Revolving Fund; removing the limitation on apportionment to the Oklahoma Tourism Capital Improvement Revolving Fund; modifying the destination for funds over the limitation provided for the Oklahoma Route 66 Commission Revolving Fund; removing the limitation on the apportionment to the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund; amending 68 O.S. 2021, Section 1403, which relates to apportionment of use tax revenues; modifying apportionment of use tax revenue to the General Revenue Fund; modifying the apportionment of use tax further apportioned to the Oklahoma Tourism Promotion Revolving Fund and the Oklahoma Capital Improvement Revolving Fund; removing the limitation on apportionment to the Oklahoma Tourism Promotion Revolving Fund; removing the limitation on apportionment to the Oklahoma Tourism Capital Improvement Revolving Fund; removing the limitation on the apportionment to the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund; providing an effective date; and declaring an emergency.

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

2 SECTION 1. AMENDATORY 68 O.S. 2021, Section 1353, as  
3 last amended by Section 2, Chapter 290, O.S.L. 2023 (68 O.S. Supp.  
4 2023, Section 1353), is amended to read as follows:

5 Section 1353. Purpose of article - Apportionment of revenues.

6 A. It is hereby declared to be the purpose of the Oklahoma  
7 Sales Tax Code to provide funds for the financing of the program  
8 provided for by the Oklahoma Social Security Act and to provide  
9 revenues for the support of the functions of the state government of  
10 Oklahoma, and for this purpose it is hereby expressly provided that,  
11 revenues derived pursuant to the provisions of the Oklahoma Sales  
12 Tax Code, subject to the apportionment requirements for the Oklahoma  
13 Tax Commission and Office of Management and Enterprise Services  
14 Joint Computer Enhancement Fund provided by Section 265 of this  
15 title, shall be apportioned as follows:

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

20 Fiscal Year	Amount
21 FY 2003 and FY 2004	86.04%
22 FY 2005	85.83%
23 FY 2006	85.54%
24 FY 2007	85.04%
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FY 2008 through FY 2022	83.61%
FY 2023 through FY <del>2027</del> <u>2025</u>	83.36%
<u>FY 2026</u>	<u>83.23%</u>
<u>FY 2027</u>	<u>82.98%</u>
FY 2028 and each fiscal year thereafter	<del>83.61%</del> <u>82.98%</u> ;

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

- a. for FY 2003, FY 2004 and FY 2005, ten and forty-two one-hundredths percent (10.42%),
- b. for FY 2006 through FY 2020, ten and forty-six one-hundredths percent (10.46%),
- c. for FY 2021:
  - (1) for the month beginning July 1, 2020, through the month ending August 31, 2020, ten and forty-six one-hundredths percent (10.46%), and
  - (2) for the month beginning September 1, 2020, through the month ending June 30, 2021, eleven and ninety-six one-hundredths percent (11.96%),
- d. 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:

1	Fiscal Year	Amount
2	FY 2003 and FY 2004	3.54%
3	FY 2005	3.75%
4	FY 2006	4.0%
5	FY 2007	4.5%
6	FY 2008 through FY 2020	5.0%
7	FY 2021:	
8	a. for the month beginning July	
9	1, 2020, through the month	
10	ending August 31, 2020	
	5.0%	
11	b. for the month beginning	
12	September 1, 2020, through	
13	the month ending June 30,	
14	2021	
	3.5%	
15	FY 2022	5.0%
16	FY 2023 through FY 2027	5.25%
17	FY 2028 and each fiscal year thereafter	5.0%;
18	4. a. <del>except as otherwise provided in subparagraph b of this</del>	
19	<del>paragraph, for the fiscal year beginning July 1, 2022,</del>	
20	<del>and for each fiscal year thereafter, eighty-seven one-</del>	
21	<del>hundredths percent (0.87%) shall be paid to the State</del>	
22	<del>Treasurer to be further apportioned as follows</del> <u>The</u>	
23	<u>following amounts shall be paid to the State</u>	
24	<u>Treasurer:</u>	
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<u>FY 2022 through FY 2025</u>	<u>0.87%</u>
<u>FY 2026</u>	<u>1.00%</u>
<u>FY 2027</u>	<u>1.25%</u>
<u>FY 2028 and each fiscal year thereafter</u>	<u>1.50%</u>

to be apportioned as follows:

- (1) twenty-four percent (24%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, ~~but in no event shall such apportionment exceed Five Million Dollars (\$5,000,000.00) in any fiscal year,~~
- (2) forty-four percent (44%) shall be placed to the credit of the Oklahoma Tourism Capital Improvement Revolving Fund, ~~but in no event shall such apportionment exceed Nine Million Dollars (\$9,000,000.00) in any fiscal year,~~ and
- (3) thirty-two percent (32%) shall be placed to the credit of the Oklahoma Route 66 Commission Revolving Fund, but in no event shall such apportionment exceed Six Million Six Hundred Thousand Dollars (\$6,600,000.00) in any fiscal year, and

b. any amounts which exceed the limitations of division (3) of subparagraph a of this paragraph shall be

1 ~~placed to the credit of the General Revenue Fund; and~~  
2 further apportioned as follows:

3 (1) thirty-six percent (36%) shall be placed to the  
4 credit of the Oklahoma Tourism Promotion  
5 Revolving Fund, and

6 (2) sixty-four percent (64%) shall be placed to the  
7 credit of the Oklahoma Tourism Capital  
8 Improvement Revolving Fund; and

9 5. For the fiscal year beginning July 1, 2015, and for each  
10 fiscal year thereafter, six one-hundredths percent (0.06%) shall be  
11 placed to the credit of the Oklahoma Historical Society Capital  
12 Improvement and Operations Revolving Fund, ~~but in no event shall~~  
13 ~~such apportionment exceed the total amount apportioned pursuant to~~  
14 ~~this paragraph for the fiscal year ending on June 30, 2015. Any~~  
15 ~~amounts which exceed the limitations of this paragraph shall be~~  
16 ~~placed to the credit of the General Revenue Fund.~~

17 B. Provided, for the fiscal year beginning July 1, 2007, and  
18 every fiscal year thereafter, an amount of revenue shall be  
19 apportioned to each municipality or county which levies a sales tax  
20 subject to the provisions of Section 1357.10 of this title and  
21 subsection F of Section 2701 of this title equal to the amount of  
22 sales tax revenue of such municipality or county exempted by the  
23 provisions of Section 1357.10 of this title and subsection F of  
24 Section 2701 of this title. The Oklahoma Tax Commission shall  
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1 promulgate and adopt rules necessary to implement the provisions of  
2 this subsection.

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

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

7 a. Nine Million Six Hundred Thousand Dollars  
8 (\$9,600,000.00) to the credit of the State Highway  
9 Construction and Maintenance Fund created in Section  
10 1501 of Title 69 of the Oklahoma Statutes, and

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

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

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

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

24 3. For the month ending October 31, 2019:  
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- 1 a. Twenty Million Dollars (\$20,000,000.00) to the credit  
2 of the State Highway Construction and Maintenance Fund  
3 created in Section 1501 of Title 69 of the Oklahoma  
4 Statutes, and  
5 b. Two Million Dollars (\$2,000,000.00) to the credit of  
6 the Oklahoma Railroad Maintenance Revolving Fund  
7 created in Section 309 of Title 66 of the Oklahoma  
8 Statutes;

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

- 10 a. Twenty Million Dollars (\$20,000,000.00) to the credit  
11 of the State Highway Construction and Maintenance Fund  
12 created in Section 1501 of Title 69 of the Oklahoma  
13 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; and

18 5. For the month ending December 31, 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  
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1 created in Section 309 of Title 66 of the Oklahoma  
2 Statutes.

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

5 Section 1403. A. It is hereby declared to be the purpose of  
6 Section 1401 et seq. of this title to provide for the support of the  
7 functions of the state and local government of Oklahoma; and for  
8 this purpose and to this end, it is hereby expressly provided that  
9 the revenues derived hereunder, subject to the apportionment  
10 provided in subsection B of this section and to the apportionment  
11 requirements for the Oklahoma Tax Commission and Office of  
12 Management and Enterprise Services Joint Computer Enhancement Fund  
13 provided by Section 265 of this title, are hereby apportioned as  
14 follows:

15 1. The following amounts shall be paid by the Tax Commission to  
16 the State Treasurer and placed to the credit of the General Revenue  
17 Fund to be paid out pursuant to direct appropriation by the  
18 Legislature:

19 Fiscal Year	Amount
20 FY 2004	85.35%
21 FY 2005	85.14%
22 FY 2006	85.54%
23 FY 2007	85.04%
24 FY 2008 through FY 2022	83.61%

FY 2023 through FY <del>2027</del> <u>2025</u>	83.36%
<u>FY 2026</u>	<u>83.23%</u>
<u>FY 2027</u>	<u>82.98%</u>
FY 2028 and each fiscal year thereafter	<del>83.61</del> <u>82.98%</u> ;

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

- a. for FY 2020, ten and forty-six one-hundredths percent (10.46%),
- b. for FY 2021:
  - (1) for the month beginning July 1, 2020, through the month ending August 31, 2020, ten and forty-six one-hundredths percent (10.46%), and
  - (2) for the month beginning September 1, 2020, through the month ending June 30, 2021, eleven and ninety-six one-hundredths percent (11.96%), 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%

1	FY 2005	3.75%
2	FY 2006	4.0%
3	FY 2007	4.5%
4	FY 2008 through FY 2020	5.0%
5	FY 2021:	
6	a. for the month beginning July	
7	1, 2020, through the month	
8	ending August 31, 2020	5.0%
9	b. for the month beginning	
10	September 1, 2020, through	
11	the month ending June 30,	
12	2021	3.5%
13	FY 2022	5.0%
14	FY 2023 through FY 2027	5.25%
15	FY 2028 and each fiscal year thereafter	5.0%;
16	4. a. <del>except as otherwise provided in subparagraph b of this</del>	
17	<del>paragraph, for the fiscal year beginning July 1, 2015,</del>	
18	<del>and for each fiscal year thereafter, eighty-seven one-</del>	
19	<del>hundredths percent (0.87%) shall be paid to the State</del>	
20	<del>Treasurer to be further apportioned as follows</del> <u>The</u>	
21	<u>following amounts shall be paid to the State</u>	
22	<u>Treasurer:</u>	
23	<u>FY 2022 through FY 2025</u>	<u>0.87%</u>
24	<u>FY 2026</u>	<u>1.00%</u>
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1 FY 2027 1.25%

2 FY 2028 and each fiscal year thereafter 1.50%

3 to be 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, six one-hundredths percent (0.06%) shall be  
21 placed to the credit of the Oklahoma Historical Society Capital  
22 Improvement and Operations Revolving Fund, ~~but in no event shall~~  
23 ~~such apportionment exceed the total amount apportioned pursuant to~~  
24 ~~this paragraph for the fiscal year ending on June 30, 2015. Any~~  
..

1 ~~amounts which exceed the limitations of this paragraph shall be~~  
2 ~~placed to the credit of the General Revenue Fund.~~

3 B. Prior to the apportionments otherwise provided in this  
4 section, there shall be apportioned to the Education Reform  
5 Revolving Fund of the State Department of Education the following  
6 amounts in the following state fiscal years:

7 FY 2019 \$19,600,000.00; and  
8 FY 2020 and each year thereafter \$20,500,000.00.

9 SECTION 3. This act shall become effective July 1, 2024.

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

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15 59-2-8576 MKS 11/29/23  
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