

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 SENATE BILL 299

By: Bice

4  
5  
6 AS INTRODUCED

7 An Act relating to motor fuel tax; amending 68 O.S.  
8 2011, Sections 500.6, as amended by Section 4,  
9 Chapter 375, O.S.L. 2013, 500.7, 704, 707.3 and 723,  
10 as amended by Section 8, Chapter 375, O.S.L. 2013 (68  
11 O.S. Supp. 2016, Sections 500.6 and 723), which  
12 relate to apportionment of tax; redirecting current  
13 apportionment of tax revenue from State  
14 Transportation Fund to Highway Construction and  
15 Maintenance Fund; providing an effective date; and  
16 declaring an emergency.

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

18 SECTION 1. AMENDATORY 68 O.S. 2011, Section 500.6, as  
19 amended by Section 4, Chapter 375, O.S.L. 2013 (68 O.S. Supp. 2016,  
20 Section 500.6), is amended to read as follows:

21 Section 500.6. A. The tax of sixteen cents (\$0.16) per gallon  
22 of gasoline that is levied by paragraph 1 of subsection A of Section  
23 500.4 of this title, the tax upon compressed natural gas levied by  
24 paragraph 3 of subsection A of Section 500.4 of this title, the tax  
upon liquefied natural gas levied by paragraph 4 of subsection A of  
Section 500.4 of this title and the tax of two and eight one-  
hundredths cents (\$0.0208) per gallon of gasoline that is levied by

1 subsection C of Section 500.4 of this title, and penalties and  
2 interest thereon, collected by the Oklahoma Tax Commission under the  
3 levy shall be apportioned and distributed monthly as follows:

4 1. The first Two Hundred Fifty Thousand Dollars (\$250,000.00)  
5 of the levy collected each month shall be deposited in the State  
6 Treasury to the credit of the ~~State Transportation~~ Highway  
7 Construction and Maintenance Fund;

8 2. One and six hundred twenty-five one-thousandths percent  
9 (1.625%) of the levy shall be remitted to the State Treasurer to the  
10 credit of the High Priority State Bridge Revolving Fund as created  
11 in Section 506 of Title 69 of the Oklahoma Statutes;

12 3. Sixty-three and seventy-five one-hundredths percent (63.75%)  
13 of the levy shall be deposited in the State Treasury to the credit  
14 of the ~~State Transportation~~ Highway Construction and Maintenance  
15 Fund to be apportioned as follows:

16 a. the first Eight Hundred Fifty Thousand Dollars  
17 (\$850,000.00) collected each fiscal year shall be  
18 transferred to the Public Transit Revolving Fund,  
19 created in Section 4031 of Title 69 of the Oklahoma  
20 Statutes, and

21 b. the second Eight Hundred Fifty Thousand Dollars  
22 (\$850,000.00) collected each fiscal year shall be  
23 transferred to the Oklahoma Tourism and Passenger Rail  
24

1 Revolving Fund and shall be used by the Department of  
2 Transportation:

3 (1) to contract railroad passenger services,  
4 including but not limited to a route linking  
5 stations in Oklahoma and Tulsa Counties with  
6 other primary points in the national railroad  
7 passenger system and passenger rail service  
8 within the state, and a route beginning at a  
9 station in Oklahoma County and extending north to  
10 the Kansas state line in Kay County, and

11 (2) to provide necessary facility, signaling, and  
12 track improvements for those contracted services,

13 c. forty-one and two-tenths percent (41.2%) of the monies  
14 apportioned to the ~~State Transportation~~ Highway  
15 Construction and Maintenance Fund shall be used for  
16 any purpose provided for in Section 1502 of Title 69  
17 of the Oklahoma Statutes,

18 d. nine and eight-tenths percent (9.8%) of the monies  
19 apportioned to the ~~State Transportation~~ Highway  
20 Construction and Maintenance Fund shall be used to  
21 provide funds for the construction and maintenance of  
22 farm-to-market roads on the state highway system, and  
23 other rural farm-to-market roads and bridges, and  
24

1 e. any remaining amount of the apportionment shall be  
2 deposited into the ~~State Transportation~~ Highway  
3 Construction and Maintenance Fund;

4 4. Twenty-seven percent (27%) of the levy shall be transmitted  
5 by the Tax Commission to the various counties of the state, to be  
6 apportioned and used as follows:

7 a. sixty-five and three-tenths percent (65.3%) of the  
8 monies apportioned under this paragraph shall be used  
9 on the following basis:

- 10 (1) forty percent (40%) of such sum shall be  
11 distributed to the various counties in the  
12 proportion which the county road mileage of each  
13 county bears to the entire state road mileage as  
14 certified by the Transportation Commission, and  
15 (2) the remaining sixty percent (60%) of such sum  
16 shall be distributed to the various counties on  
17 the basis which the population and area of each  
18 county bears to the total population and area of  
19 the state. The population shall be as shown by  
20 the last Federal Decennial Census or the most  
21 recent annual estimate provided by the U.S.  
22 Bureau of the Census,

1           b.   twenty-three and one-tenth percent (23.1%) of the  
2           monies apportioned under this paragraph shall be  
3           distributed to the counties in the following manner:  
4           One-third (1/3) on area; one-third (1/3) on rural  
5           population, defined as including the population of all  
6           municipalities with a population of less than five  
7           thousand (5,000) according to the latest Federal  
8           Decennial Census; and one-third (1/3) on county road  
9           mileage, as last certified by the Department of  
10          Transportation, as each county bears to the entire  
11          area, rural population and road mileage of the state,  
12          and

13          c.   eleven and six-tenths percent (11.6%) of the monies  
14          apportioned under this paragraph shall be distributed  
15          to the various counties of the state based on a  
16          formula developed by the Department of Transportation  
17          and approved by the Department of Transportation  
18          County Advisory Board created pursuant to Section  
19          302.1 of Title 69 of the Oklahoma Statutes.  The  
20          formula shall be similar to the formula currently used  
21          for the distribution of monies in the County Bridge  
22          Program funds, but shall also take into consideration  
23          the effect of the terrain and traffic volume as  
24

1 related to county road improvement and maintenance  
2 costs;

3 5. Three and one hundred twenty-five one-thousandths percent  
4 (3.125%) of the levy shall be distributed to the various counties of  
5 the state based on a formula developed by the Department of  
6 Transportation and approved by the Department of Transportation  
7 County Advisory Board created pursuant to Section 302.1 of Title 69  
8 of the Oklahoma Statutes. The formula shall be similar to the  
9 formula currently used for the distribution of monies in the County  
10 Bridge Program funds, but shall also take into consideration the  
11 effect of the terrain and traffic volume as related to county road  
12 improvement and maintenance costs;

13 6. Two and two hundred ninety-seven one-thousandths percent  
14 (2.297%) of the levy shall be distributed to the various counties of  
15 the state for deposit into the County Bridge and Road Improvement  
16 Fund of each county based on a formula developed by the Department  
17 of Transportation and approved by the Department of Transportation  
18 County Advisory Board created pursuant to Section 302.1 of Title 69  
19 of the Oklahoma Statutes to be used for the purposes set forth in  
20 the County Bridge and Road Improvement Act. The formula shall be  
21 similar to the formula currently used for the distribution of monies  
22 in the County Bridge Program funds, but shall also take into  
23 consideration the effect of the terrain and traffic volume as  
24 related to county road improvement and maintenance costs;

1           7. One and eight hundred seventy-five one-thousandths percent  
2 (1.875%) of the levy shall be transmitted by the Tax Commission to  
3 the treasurers of the various incorporated cities and towns of the  
4 state in the percentage which the population, as shown by the last  
5 Federal Decennial Census or the most recent annual estimate provided  
6 by the U.S. Bureau of the Census, bears to the total population of  
7 all the incorporated cities and towns in this state. The funds  
8 shall be expended for the construction, repair and maintenance of  
9 the streets and alleys of the incorporated cities and towns of this  
10 state; and

11           8. Three hundred twenty-eight one-thousandths percent (0.328%)  
12 of the levy shall be transmitted by the Tax Commission to the  
13 Statewide Circuit Engineering District Revolving Fund as created in  
14 Section 687.2 of Title 69 of the Oklahoma Statutes.

15           B. 1. The funds apportioned or transmitted pursuant to  
16 subparagraphs a, b, and c of paragraph 4 of subsection A of this  
17 section, subsection B of Section 500.7 of this title, subsection B  
18 of Section 704 of this title, Section 706 of this title, and  
19 paragraph 2 of subsection D of Section 707.3 of this title shall be  
20 sent to the respective county treasurers and deposited in the county  
21 highway fund to be used by the county commissioners for the purpose  
22 of constructing and maintaining county highways and bridges.

23           2. The funds received by any county shall not be diverted to  
24 any other county of the state, and shall only be expended under the

1 direction and control of the board of county commissioners in the  
2 county to which the funds are appropriated. If any part of the  
3 funds is diverted for any other purpose, the county commissioners  
4 shall be liable on their bond for double the amount of the money so  
5 diverted. This paragraph shall not prohibit counties from entering  
6 into cooperative agreements pertaining to the maintenance and  
7 construction of roads and bridges.

8 3. Where any county highway has been laid out over a road  
9 already constructed in any county by the use of money raised from  
10 county bond issues for that purpose, either alone or by the use of  
11 federal or state aid, or both, the county commissioners may set  
12 aside out of the funds apportioned to that county, as provided in  
13 this section, an amount of money equal to the value of any part  
14 thereof, of the interest of such county in such highway or bridge,  
15 which amount of money shall be considered by the excise board in  
16 reducing the levy for the purpose of retiring the bonded  
17 indebtedness and interest thereon of the county, and shall be used  
18 for investment or deposit in the same manner as provided by law for  
19 the disposition of other sinking fund money.

20 4. In all counties where the county excise board may find it  
21 necessary, because of insufficient revenue, to maintain county  
22 government out of the general fund, after a levy of ten (10) mills  
23 has been made for any fiscal year, the county excise board may  
24 appropriate out of any such funds apportioned to the county an



1 amount sufficient to pay the salaries of the county commissioners of  
2 the county for the fiscal year.

3 5. Counties may use funds deposited in the county highway fund  
4 for the purpose of matching federal or state funds, provided such  
5 funds are available, as necessary to secure assistance in the  
6 construction or improvement of the county road system.

7 C. With regards to the apportionment of the levy as set forth  
8 in paragraph 5 of subsection A of this section, paragraph 5 of  
9 subsection A of Section 500.7 of this title, and subsection C of  
10 Section 707.2 of this title:

11 1. If any county has an accrued balance of funds which were  
12 appropriated to or otherwise accrued in a restricted road  
13 maintenance fund, such funds shall be deposited directly to the  
14 county highway fund of the county;

15 2. If any county has an accrued balance of funds which were  
16 appropriated to or otherwise accrued in the County Road Improvement  
17 Fund, or the County Bridge Improvement Fund, such funds shall, by  
18 resolution approved by a majority of the board of county  
19 commissioners and filed with the Department of Transportation, be  
20 deposited in the county highway fund of the county;

21 3. If any county has an accrued balance of funds which were  
22 appropriated to or otherwise accrued in the County Bridge and Road  
23 Improvement Fund, ninety-nine percent (99%) of such funds shall be  
24 remitted to the respective county treasurer for deposit in the

1 appropriate County Bridge and Road Improvement Fund to be used for  
2 the purpose set forth in the County Bridge and Road Improvement Act.  
3 The remaining one percent (1%) of such funds will be remitted to the  
4 Statewide Circuit Engineering District Revolving Fund; and

5 4. If any county has an advanced funding agreement with the  
6 Department of Transportation, the Department of Transportation shall  
7 notify the Tax Commission as to the amount the county is obligated  
8 to pay according to the terms of the advanced funding agreement.  
9 The obligated amount shall be transferred each month by the Tax  
10 Commission to the Department of Transportation to the credit of the  
11 County Bridge and Road Improvement Fund from the funds apportioned  
12 to the county pursuant to paragraph 5 of subsection A of this  
13 section. A county may elect to increase the monthly amount to be  
14 repaid pursuant to the advanced funding agreement from the funds  
15 apportioned to the county, but a county shall not be permitted to  
16 reduce the amount agreed to pursuant to the advanced funding  
17 agreement.

18 D. The tax levied on gasoline pursuant to Section 500.4A of  
19 this title, and the penalties and interest thereon, collected by the  
20 Tax Commission under the levy shall be apportioned and distributed  
21 on a monthly basis to the State Highway Construction and Maintenance  
22 Fund for the purposes authorized by Section 1502 of Title 69 of the  
23 Oklahoma Statutes.

24

1 SECTION 2. AMENDATORY 68 O.S. 2011, Section 500.7, is  
2 amended to read as follows:

3 Section 500.7. A. The tax of thirteen cents (\$0.13) per gallon  
4 of diesel fuel that is levied by Section 500.4 of this title, and  
5 all penalties and interest thereon, collected by the Oklahoma Tax  
6 Commission under the levy shall be apportioned and distributed  
7 monthly as follows:

8 1. The first Eighty-three Thousand Three Hundred Thirty-three  
9 Dollars and thirty-three cents (\$83,333.33) of the levy collected  
10 each month shall be deposited in the State Treasury to the credit of  
11 the ~~State Transportation~~ Highway Construction and Maintenance Fund;

12 2. One and thirty-nine one-hundredths percent (1.39%) of the  
13 levy shall be paid by the Commission to the State Treasurer to the  
14 credit of the High Priority State Bridge Revolving Fund as created  
15 in Section 506 of Title 69 of the Oklahoma Statutes;

16 3. Sixty-four and thirty-four one-hundredths percent (64.34%)  
17 of the levy shall be deposited in the State Treasury to the credit  
18 of the ~~State Transportation~~ Highway Construction and Maintenance  
19 Fund;

20 4. Twenty-six and fifty-eight one-hundredths percent (26.58%)  
21 of the levy shall be transmitted by the Commission to various  
22 counties of the state, to be apportioned as follows:

23 a. forty-two and one-tenth percent (42.1%) of the monies  
24 apportioned under this paragraph shall be transmitted

1 to the various counties in the percentage which the  
2 population and area of each county bears to the  
3 population and area of the entire state. The  
4 population shall be as shown by the last Federal  
5 Decennial Census or the most recent annual estimate  
6 provided by the U.S. Bureau of the Census,

7 b. fourteen and five-tenths percent (14.5%) of the monies  
8 apportioned under this paragraph shall be distributed  
9 as follows:

10 Forty percent (40%) of such sum shall be distributed  
11 to the various counties in that proportion which the  
12 county road mileage of each county bears to the entire  
13 state road mileage as certified by the Transportation  
14 Commission, and the remaining sixty percent (60%) of  
15 such sum shall be distributed to the various counties  
16 on the basis which the population and area of each  
17 county bears to the total population and area of the  
18 state. The population shall be as shown by the last  
19 Federal Decennial Census or the most recent annual  
20 estimate provided by the U.S. Bureau of the Census,

21 c. twenty-eight and nine-tenths percent (28.9%) of the  
22 monies apportioned under this paragraph shall be  
23 distributed to the several counties in the following  
24 manner: one-third (1/3) on area, one-third (1/3) on

1 rural population (defined as including the population  
2 of all municipalities with a population of less than  
3 five thousand (5,000) according to the latest Federal  
4 Decennial Census), and one-third (1/3) on county road  
5 mileage, as last certified by the Department of  
6 Transportation, as each county bears to the entire  
7 area, rural population and road mileage of the state,  
8 and

9 d. fourteen and five-tenths percent (14.5%) of the monies  
10 apportioned under this paragraph shall be distributed  
11 to the various counties of the state based on a  
12 formula developed by the Department of Transportation  
13 and approved by the Department of Transportation  
14 County Advisory Board created pursuant to Section  
15 302.1 of Title 69 of the Oklahoma Statutes. The  
16 formula shall be similar to the formula currently used  
17 for the distribution of the County Bridge Program  
18 funds, but shall also take into consideration the  
19 effect of the terrain and traffic volume as related to  
20 the county road improvement and maintenance costs;

21 5. Three and eighty-five one-hundredths percent (3.85%) of the  
22 levy shall be distributed based on a formula developed by the  
23 Department of Transportation and approved by the Department of  
24 Transportation County Advisory Board created pursuant to Section

1 302.1 of Title 69 of the Oklahoma Statutes. The formula shall be  
2 similar to the formula currently used for the distribution of the  
3 County Bridge Program funds, but shall also take into consideration  
4 the effect of the terrain and traffic volume as related to the  
5 county road improvement and maintenance costs. The apportionment of  
6 the levy as set forth in this paragraph shall be subject to the  
7 provisions of subsection C of Section 500.6 of this title; and

8 6. Three and thirty-six one-hundredths percent (3.36%) of the  
9 levy shall be distributed to the various counties of the state for  
10 deposit into the County Bridge and Road Improvement Fund of each  
11 county based on a formula developed by the Department of  
12 Transportation and approved by the Department of Transportation  
13 County Advisory Board created pursuant to Section 302.1 of Title 69  
14 of the Oklahoma Statutes to be used for the purposes set forth in  
15 the County Bridge and Road Improvement Act. The formula shall be  
16 similar to the formula currently used for the distribution of monies  
17 in the County Bridge Program funds, but shall also take into  
18 consideration the effect of the terrain and traffic volume as  
19 related to county road improvement and maintenance costs; and

20 7. Forty-eight one-hundredths percent (0.48%) of the levy shall  
21 be transmitted by the Tax Commission to the Statewide Circuit  
22 Engineering District Revolving Fund as created in Section 687.2 of  
23 Title 69 of the Oklahoma Statutes.

24

1 B. The funds apportioned or transmitted pursuant to the  
2 provisions of subparagraphs a, b, and c of paragraph 4 of subsection  
3 A of this section shall be used in accordance with and subject to  
4 the provisions of subsection B of Section 500.6 of this title.

5 C. The tax levied on diesel fuel pursuant to Section 500.4A of  
6 this title, and all penalties and interest thereon, collected by the  
7 Commission under the levy shall be apportioned and distributed on a  
8 monthly basis to the State Highway Construction and Maintenance Fund  
9 for the purposes authorized by Section 1502 of Title 69 of the  
10 Oklahoma Statutes.

11 SECTION 3. AMENDATORY 68 O.S. 2011, Section 704, is  
12 amended to read as follows:

13 Section 704. A. The purpose of Section 701 et seq. of this  
14 title is to provide revenue for general governmental functions of  
15 state government and for the construction and maintenance of state  
16 and county highways and bridges. The tax, including penalties and  
17 interest collected under the levy in Section 703 of this title,  
18 shall be apportioned monthly for use as follows:

19 1. An amount equal to the revenue, including penalties and  
20 interest thereon, accruing from four cents (\$0.04) per gallon of the  
21 five and one-half cents (\$0.055) per gallon collected of the tax  
22 levied by Section 703 of this title, shall be apportioned monthly  
23 and used for the following purposes:  
24

- 1 a. three percent (3%) shall be paid by the Tax Commission  
2 to the State Treasurer and placed to the credit of the  
3 General Revenue Fund of the State Treasury,
- 4 b. seventy-two and three-fourths percent (72 3/4%) shall  
5 be deposited in the State Treasury to the credit of  
6 the ~~State Transportation~~ Highway Construction and  
7 Maintenance Fund, and
- 8 c. twenty-four and one-fourth percent (24 1/4%) shall be  
9 transmitted by the Tax Commission to various counties  
10 of the state, in the percentage which the population  
11 and area of each county bears to the population and  
12 area of the entire state. The population shall be as  
13 shown by the last Federal Census or the most recent  
14 annual estimate provided by the U.S. Bureau of the  
15 Census;

16 2. An amount equal to the revenue, including penalties and  
17 interest thereon, accruing from one cent (\$0.01) per gallon of the  
18 five and one-half cents (\$0.055) per gallon collected of the tax  
19 levied by Section 703 of this title, shall be apportioned monthly  
20 and shall be deposited in the State Treasury to the credit of the  
21 ~~State Transportation~~ Highway Construction and Maintenance Fund; and

22 3. An amount equal to the revenue, including penalties and  
23 interest thereon, accruing from one-half cent (\$0.005) per gallon of  
24 the five and one-half cents (\$0.055) per gallon collected of the tax



1 levied by Section 703 of this title, shall be apportioned monthly  
2 and distributed as follows:

3       Forty percent (40%) of such sum shall be distributed to the  
4 various counties in that proportion which the county road mileage of  
5 each county bears to the entire state road mileage as certified by  
6 the State Transportation Commission, and the remaining sixty percent  
7 (60%) of such sum shall be distributed to the various counties on  
8 the basis which the population and area of each county bears to the  
9 total population and area of the state. The population shall be as  
10 shown by the last Federal Census or the most recent annual estimate  
11 provided by the U.S. Bureau of the Census.

12       B. The funds apportioned or transmitted pursuant to the  
13 provisions of subparagraph c of paragraph 1 of subsection A of this  
14 section and paragraph 3 of subsection A of this section shall be  
15 used in accordance with and subject to the provisions of subsection  
16 B of Section 500.6 of this title.

17       SECTION 4.       AMENDATORY       68 O.S. 2011, Section 707.3, is  
18 amended to read as follows:

19       A. In addition to the excise taxes levied by Sections 703, 705,  
20 707.1 and 707.2 of this title, there is hereby levied an excise tax  
21 of six cents (\$0.06) upon the use within this state of each and  
22 every gallon of special fuel, which shall be reported and collected  
23 in the same manner as provided by law for the reporting and  
24 collecting of all other tax levies upon the use of special fuel

1 within this state. The basis for computation of the amount due  
2 shall be one hundred percent (100%) of the net gallonage reported to  
3 the Tax Commission for taxation, after all deductions allowed by law  
4 have been made.

5 B. The tax levied by this section shall not apply to special  
6 fuel which is exempt from tax pursuant to the provisions of Section  
7 708 of this title.

8 C. It is hereby declared to be the intent of the Legislature  
9 that the total state excise tax, levied by this section and Sections  
10 703, 705, 707.1 and 707.2 of this title, shall be sixteen cents  
11 (\$0.16) upon each gallon of special fuel used within Oklahoma and  
12 that no special fuel shall be subject to the total tax more than one  
13 time.

14 D. The additional excise tax of six cents (\$0.06) per gallon of  
15 special fuel levied by this section, together with any interest and  
16 penalties thereon, collected by the Tax Commission shall be  
17 apportioned monthly as follows:

18 1. Five cents (\$0.05) of the six cents (\$0.06), together with  
19 any interest and penalties thereon, shall be apportioned to the  
20 ~~State Transportation~~ Highway Construction and Maintenance Fund; and

21 2. One cent (\$0.01) of the six cents (\$0.06), together with any  
22 interest and penalties thereon, shall be distributed to the various  
23 counties in the following manner: thirty percent (30%) based upon  
24 area, thirty percent (30%) based upon population according to the

1 latest Federal Decennial Census or the most recent annual estimate  
2 provided by the U.S. Bureau of the Census and forty percent (40%)  
3 based upon county road mileage on the basis which the respective  
4 area, population and county road mileage of each county bear to the  
5 total area, population and county road mileage of the state. The  
6 funds so transmitted shall be used in accordance with and subject to  
7 the provisions of subsection B of Section 500.6 of this title.

8 SECTION 5. AMENDATORY 68 O.S. 2011, Section 723, as  
9 amended by Section 8, Chapter 375, O.S.L. 2013 (68 O.S. Supp. 2016,  
10 Section 723), is amended to read as follows:

11 Section 723. A. In lieu of the special fuel tax imposed by  
12 Sections 703, 705, 707.1, 707.2 and 707.3 of this title, there is  
13 hereby levied a flat fee of Fifty Dollars (\$50.00) on each passenger  
14 automobile, and on each pickup truck or van not exceeding one (1)  
15 ton in capacity, using liquefied petroleum gas or natural gas as  
16 fuel, except that no such fee shall be levied on any vehicle which  
17 is the subject of an exemption pursuant to Section 708 of this  
18 title. Provided that, should the passenger automobile, pickup truck  
19 or van have been acquired or should the liquefied petroleum gas or  
20 natural gas system be installed on or after July 1, the flat fee  
21 shall be Twenty-five Dollars (\$25.00) for the remainder of the  
22 calendar year, except as hereinafter provided.

23 B. Beginning January 1, 1991, in lieu of the special fuel tax  
24 imposed by Sections 703, 705, 707.1, 707.2 and 707.3 of this title,

1 there is hereby levied a flat fee of One Hundred Dollars (\$100.00)  
2 on each passenger automobile, and on each pickup truck or van not  
3 exceeding one (1) ton in capacity, using methanol or "M-85" which is  
4 a mixture of methanol and gasoline containing at least eighty-five  
5 percent (85%) methanol as fuel, except that no such fee shall be  
6 levied on any vehicle which is the subject of an exemption pursuant  
7 to Section 708 of this title. Provided that, should the passenger  
8 automobile, pickup truck or van have been acquired or should  
9 methanol or "M-85" system be installed on or after July 1, the flat  
10 fee shall be Fifty Dollars (\$50.00) for the remainder of the  
11 calendar year, except as hereinafter provided.

12 C. In lieu of the special fuel tax imposed by Sections 703,  
13 705, 707.1, 707.2 and 707.3 of this title, there is hereby levied a  
14 flat fee of One Hundred Fifty Dollars (\$150.00) on each vehicle  
15 exceeding one (1) ton in capacity, using liquefied petroleum gas,  
16 methanol or "M-85" as fuel, except that no such fee shall be levied  
17 on any vehicle which is the subject of an exemption pursuant to  
18 Section 708 of this title. Provided that, should the vehicle be  
19 acquired or should the methanol or "M-85" system be installed on or  
20 after July 1, the flat fee shall be Seventy-five Dollars (\$75.00)  
21 for the remainder of the calendar year, except as hereinafter  
22 provided.

23 D. Every person operating a vehicle using liquefied petroleum  
24 gas, methanol or "M-85" as fuel shall make application for and

1 obtain a decal to be issued on a yearly basis by the Oklahoma Tax  
2 Commission on forms prescribed and furnished by the Tax Commission.

3 E. Every person required to make application for and receive a  
4 decal under this section shall, at the time of making said  
5 application, remit to the Tax Commission the total amount of the fee  
6 due.

7 F. Each decal issued by the Tax Commission pursuant to the  
8 provisions of this section, shall expire on December 31 of every  
9 year, and in addition thereto said decals shall be displayed in the  
10 lower right hand corner of the front windshield of said vehicle.  
11 Upon receipt of satisfactory proof by the Tax Commission that it has  
12 become necessary to replace the windshield of the vehicle for which  
13 the decal was issued, another decal shall be issued by the Tax  
14 Commission as a replacement for a fee of One Dollar (\$1.00).

15 G. When any vehicle using liquefied petroleum gas, methanol or  
16 "M-85" as fuel and displaying a current decal as provided in this  
17 section is sold, such decal shall remain with the vehicle sold,  
18 unless the equipment installed to enable the vehicle to use  
19 liquefied petroleum gas, methanol or "M-85" has been removed from  
20 the vehicle before the sale.

21 H. When the aforementioned equipment has been removed before  
22 the sale, the seller of the vehicle shall also remove the decal  
23 required of vehicles using liquefied petroleum gas, methanol or "M-  
24 85". The removed decal, a receipt from the Oklahoma Tax Commission

1 showing that the fee required has been paid for the current year,  
2 and the payment of a one-dollar fee for duplicate decal shall  
3 entitle the seller to make application for and obtain a new decal to  
4 be used for the remainder of the year on any vehicle using liquefied  
5 petroleum gas, methanol or "M-85" in accordance with the provisions  
6 of this section.

7 I. Provisions contained in Sections 701 through 721 of this  
8 title shall not apply to any vehicle using liquefied petroleum gas,  
9 methanol or "M-85".

10 J. All funds derived from the fee imposed by subsection A of  
11 this section shall be deposited annually in the General Revenue Fund  
12 of the State Treasury by the Tax Commission. When any person fails  
13 to obtain a current decal within thirty (30) days of the date said  
14 decal is required as provided in this section, there shall become  
15 due and payable a penalty of twenty percent (20%) of the fee in  
16 addition to the fee. Said penalty to be deposited in the same  
17 manner as the fee pursuant to this subsection.

18 K. All funds derived from the fee imposed by subsections B and  
19 C of this section shall be collected by the Oklahoma Tax Commission  
20 and apportioned annually to the ~~State Transportation~~ Highway  
21 Construction and Maintenance Fund. When any person fails to obtain  
22 a current decal within thirty (30) days of the date such decal is  
23 required as provided in this section, there shall become due and  
24 payable a penalty of twenty percent (20%) of the fee in addition to

1 the fee. Such penalty shall be deposited in the same manner as the  
2 fee pursuant to this subsection.

3 SECTION 6. This act shall become effective July 1, 2017.

4 SECTION 7. It being immediately necessary for the preservation  
5 of the public peace, health or safety, an emergency is hereby  
6 declared to exist, by reason whereof this act shall take effect and  
7 be in full force from and after its passage and approval.

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