

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 SENATE BILL 387

By: Rader

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5  
6 AS INTRODUCED

7 An Act relating to sales tax exemption; amending 68  
8 O.S. 2021, Section 1357, as amended by Section 1,  
9 Chapter 206, O.S.L. 2022 (68 O.S. Supp. 2022, Section  
10 1357), which relates to exemptions; providing  
11 exemption on certain purchases of services or  
12 tangible personal property for certain nonprofit  
13 entity; providing for refund on certain taxes paid;  
14 updating statutory language; and providing an  
15 effective date.

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

17 SECTION 1. AMENDATORY 68 O.S. 2021, Section 1357, as  
18 amended by Section 1, Chapter 206, O.S.L. 2022 (68 O.S. Supp. 2022,  
19 Section 1357), is amended to read as follows:

20 Section 1357. Exemptions - General.

21 There are hereby specifically exempted from the tax levied by  
22 the Oklahoma Sales Tax Code:

23 1. Transportation of school pupils to and from elementary  
24 schools or high schools in motor or other vehicles;

1           2. Transportation of persons where the fare of each person does  
2 not exceed One Dollar (\$1.00), or local transportation of persons  
3 within the corporate limits of a municipality except by taxicabs;

4           3. Sales for resale to persons engaged in the business of  
5 reselling the articles purchased, whether within or without the  
6 state, provided that such sales to residents of this state are made  
7 to persons to whom sales tax permits have been issued as provided in  
8 the Oklahoma Sales Tax Code. This exemption shall not apply to the  
9 sales of articles made to persons holding permits when such persons  
10 purchase items for their use and which they are not regularly  
11 engaged in the business of reselling; neither shall this exemption  
12 apply to sales of tangible personal property to peddlers, solicitors  
13 and other salespersons who do not have an established place of  
14 business and a sales tax permit. The exemption provided by this  
15 paragraph shall apply to sales of motor fuel or diesel fuel to a  
16 Group Five vendor, but the use of such motor fuel or diesel fuel by  
17 the Group Five vendor shall not be exempt from the tax levied by the  
18 Oklahoma Sales Tax Code. The purchase of motor fuel or diesel fuel  
19 is exempt from sales tax when the motor fuel is for shipment outside  
20 this state and consumed by a common carrier by rail in the conduct  
21 of its business. The sales tax shall apply to the purchase of motor  
22 fuel or diesel fuel in Oklahoma by a common carrier by rail when  
23 such motor fuel is purchased for fueling, within this state, of any  
24 locomotive or other motorized flanged wheel equipment;

1 4. Sales of advertising space in newspapers and periodicals;

2 5. Sales of programs relating to sporting and entertainment  
3 events, and sales of advertising on billboards (including signage,  
4 posters, panels, marquees, or on other similar surfaces, whether  
5 indoors or outdoors) or in programs relating to sporting and  
6 entertainment events, and sales of any advertising, to be displayed  
7 at or in connection with a sporting event, via the Internet,  
8 electronic display devices or through public address or broadcast  
9 systems. The exemption authorized by this paragraph shall be  
10 effective for all sales made on or after January 1, 2001;

11 6. Sales of any advertising, other than the advertising  
12 described by paragraph 5 of this section, via the Internet,  
13 electronic display devices or through the electronic media including  
14 radio, public address or broadcast systems, television (whether  
15 through closed circuit broadcasting systems or otherwise), and cable  
16 and satellite television, and the servicing of any advertising  
17 devices;

18 7. Eggs, feed, supplies, machinery, and equipment purchased by  
19 persons regularly engaged in the business of raising worms, fish,  
20 any insect, or any other form of terrestrial or aquatic animal life  
21 and used for the purpose of raising same for marketing. This  
22 exemption shall only be granted and extended to the purchaser when  
23 the items are to be used and in fact are used in the raising of  
24 animal life as set out above. Each purchaser shall certify, in  
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1 writing, on the invoice or sales ticket retained by the vendor that  
2 the purchaser is regularly engaged in the business of raising such  
3 animal life and that the items purchased will be used only in such  
4 business. The vendor shall certify to the Oklahoma Tax Commission  
5 that the price of the items has been reduced to grant the full  
6 benefit of the exemption. Violation hereof by the purchaser or  
7 vendor shall be a misdemeanor;

8 8. Sale of natural or artificial gas and electricity, and  
9 associated delivery or transmission services, when sold exclusively  
10 for residential use. Provided, this exemption shall not apply to  
11 any sales tax levied by a city or town, or a county or any other  
12 jurisdiction in this state;

13 9. In addition to the exemptions authorized by Section 1357.6  
14 of this title, sales of drugs sold pursuant to a prescription  
15 written for the treatment of human beings by a person licensed to  
16 prescribe the drugs, and sales of insulin and medical oxygen.  
17 Provided, this exemption shall not apply to over-the-counter drugs;

18 10. Transfers of title or possession of empty, partially  
19 filled, or filled returnable oil and chemical drums to any person  
20 who is not regularly engaged in the business of selling, reselling  
21 or otherwise transferring empty, partially filled or filled  
22 returnable oil drums;

1 11. Sales of one-way utensils, paper napkins, paper cups,  
2 disposable hot containers, and other one-way carry out materials to  
3 a vendor of meals or beverages;

4 12. Sales of food or food products for home consumption which  
5 are purchased in whole or in part with coupons issued pursuant to  
6 the federal food stamp program as authorized by Sections 2011  
7 through 2029 of Title 7 of the United States Code, as to that  
8 portion purchased with such coupons. The exemption provided for  
9 such sales shall be inapplicable to such sales upon the effective  
10 date of any federal law that removes the requirement of the  
11 exemption as a condition for participation by the state in the  
12 federal food stamp program;

13 13. Sales of food or food products, or any equipment or  
14 supplies used in the preparation of the food or food products to or  
15 by an organization which:

16 a. is exempt from taxation pursuant to the provisions of  
17 Section 501(c)(3) of the Internal Revenue Code, 26  
18 U.S.C., Section 501(c)(3), and which provides and  
19 delivers prepared meals for home consumption to  
20 elderly or homebound persons as part of a program  
21 commonly known as "Meals on Wheels" or "Mobile Meals",  
22 or

23 b. is exempt from taxation pursuant to the provisions of  
24 Section 501(c)(3) of the Internal Revenue Code, 26

1 U.S.C., Section 501(c)(3), and which receives federal  
2 funding pursuant to the Older Americans Act of 1965,  
3 as amended, for the purpose of providing nutrition  
4 programs for the care and benefit of elderly persons;

- 5 14. a. Sales of tangible personal property or services to or  
6 by organizations which are exempt from taxation  
7 pursuant to the provisions of Section 501(c)(3) of the  
8 Internal Revenue Code, 26 U.S.C., Section 501(c)(3),  
9 and:

10 (1) are primarily involved in the collection and  
11 distribution of food and other household products  
12 to other organizations that facilitate the  
13 distribution of such products to the needy and  
14 such distributee organizations are exempt from  
15 taxation pursuant to the provisions of Section  
16 501(c)(3) of the Internal Revenue Code, 26  
17 U.S.C., Section 501(c)(3), or

18 (2) facilitate the distribution of such products to  
19 the needy.

- 20 b. Sales made in the course of business for profit or  
21 savings, competing with other persons engaged in the  
22 same or similar business shall not be exempt under  
23 this paragraph.

1           c. The exemption provided by this paragraph shall include  
2           sales of tangible personal property or taxable  
3           services consumed or incorporated in the construction  
4           of a facility placed in service during calendar year  
5           2023. The exemption shall include sales and taxable  
6           services to the organization and to any person,  
7           entity, contractor, or subcontractor with whom the  
8           organization has duly entered into a construction  
9           contract necessary for carrying out the contract. For  
10           sales tax paid on purchases that would otherwise be  
11           exempt pursuant to this subparagraph but occurred  
12           before the effective date of this act, the Tax  
13           Commission shall make refunds to the purchasers in the  
14           full amount of the sales tax paid, as documented by  
15           the purchaser and verified by the Tax Commission;

16           15. Sales of tangible personal property or services to  
17 children's homes which are located on church-owned property and are  
18 operated by organizations exempt from taxation pursuant to the  
19 provisions of the Internal Revenue Code, 26 U.S.C., Section  
20 501(c) (3);

21           16. Sales of computers, data processing equipment, related  
22 peripherals, and telephone, telegraph or telecommunications service  
23 and equipment for use in a qualified aircraft maintenance or  
24 manufacturing facility. For purposes of this paragraph, "qualified

1 aircraft maintenance or manufacturing facility" means a new or  
2 expanding facility primarily engaged in aircraft repair, building,  
3 or rebuilding whether or not on a factory basis, whose total cost of  
4 construction exceeds the sum of Five Million Dollars (\$5,000,000.00)  
5 and which employs at least two hundred fifty (250) new full-time-  
6 equivalent employees, as certified by the Oklahoma Employment  
7 Security Commission, upon completion of the facility. In order to  
8 qualify for the exemption provided for by this paragraph, the cost  
9 of the items purchased by the qualified aircraft maintenance or  
10 manufacturing facility shall equal or exceed the sum of Two Million  
11 Dollars (\$2,000,000.00);

12 17. Sales of tangible personal property consumed or  
13 incorporated in the construction or expansion of a qualified  
14 aircraft maintenance or manufacturing facility as defined in  
15 paragraph 16 of this section. For purposes of this paragraph, sales  
16 made to a contractor or subcontractor that has previously entered  
17 into a contractual relationship with a qualified aircraft  
18 maintenance or manufacturing facility for construction or expansion  
19 of such a facility shall be considered sales made to a qualified  
20 aircraft maintenance or manufacturing facility;

21 18. Sales of the following telecommunications services:

- 22 a. Interstate and International "800 service". "800  
23 service" means a "telecommunications service" that  
24 allows a caller to dial a toll-free number without



1           incurring a charge for the call. The service is  
2           typically marketed under the name "800", "855", "866",  
3           "877" and "888" toll-free calling, and any subsequent  
4           numbers designated by the Federal Communications  
5           Commission,

6           b. Interstate and International "900 service". "900  
7           service" means an inbound toll "telecommunications  
8           service" purchased by a subscriber that allows the  
9           subscriber's customers to call in to the subscriber's  
10          prerecorded announcement or live service. "900  
11          service" does not include the charge for: collection  
12          services provided by the seller of the  
13          "telecommunications services" to the subscriber, or  
14          service or product sold by the subscriber to the  
15          subscriber's customer. The service is typically  
16          marketed under the name "900" service, and any  
17          subsequent numbers designated by the Federal  
18          Communications Commission,

19          c. Interstate and International "private communications  
20          service". "Private communications service" means a  
21          "telecommunications service" that entitles the  
22          customer to exclusive or priority use of a  
23          communications channel or group of channels between or  
24          among termination points, regardless of the manner in

1 which such channel or channels are connected, and  
2 includes switching capacity, extension lines, stations  
3 and any other associated services that are provided in  
4 connection with the use of such channel or channels,

5 d. "Value-added nonvoice data service". "Value-added  
6 nonvoice data service" means a service that otherwise  
7 meets the definition of "telecommunications services"  
8 in which computer processing applications are used to  
9 act on the form, content, code or protocol of the  
10 information or data primarily for a purpose other than  
11 transmission, conveyance, or routing,

12 e. Interstate and International telecommunications  
13 service which is:

14 (1) rendered by a company for private use within its  
15 organization, or

16 (2) used, allocated or distributed by a company to  
17 its affiliated group,

18 f. Regulatory assessments and charges including charges  
19 to fund the Oklahoma Universal Service Fund, the  
20 Oklahoma Lifeline Fund and the Oklahoma High Cost  
21 Fund, and

22 g. Telecommunications nonrecurring charges including but  
23 not limited to the installation, connection, change,  
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1 or initiation of telecommunications services which are  
2 not associated with a retail consumer sale;

3 19. Sales of railroad track spikes manufactured and sold for  
4 use in this state in the construction or repair of railroad tracks,  
5 switches, sidings, and turnouts;

6 20. Sales of aircraft and aircraft parts provided such sales  
7 occur at a qualified aircraft maintenance facility. As used in this  
8 paragraph, "qualified aircraft maintenance facility" means a  
9 facility operated by an air common carrier including one or more  
10 component overhaul support buildings or structures in an area owned,  
11 leased, or controlled by the air common carrier, at which there were  
12 employed at least two thousand (2,000) full-time-equivalent  
13 employees in the preceding year as certified by the Oklahoma  
14 Employment Security Commission and which is primarily related to the  
15 fabrication, repair, alteration, modification, refurbishing,  
16 maintenance, building, or rebuilding of commercial aircraft or  
17 aircraft parts used in air common carriage. For purposes of this  
18 paragraph, "air common carrier" shall also include members of an  
19 affiliated group as defined by Section 1504 of the Internal Revenue  
20 Code, 26 U.S.C., Section 1504. Beginning July 1, 2012, sales of  
21 machinery, tools, supplies, equipment, and related tangible personal  
22 property and services used or consumed in the repair, remodeling, or  
23 maintenance of aircraft, aircraft engines or aircraft component  
24 parts which occur at a qualified aircraft maintenance facility;

1           21. Sales of machinery and equipment purchased and used by  
2 persons and establishments primarily engaged in computer services  
3 and data processing:

4           a. as defined under Industrial Group Numbers 7372 and  
5           7373 of the Standard Industrial Classification (SIC)  
6           Manual, latest version, which derive at least fifty  
7           percent (50%) of their annual gross revenues from the  
8           sale of a product or service to an out-of-state buyer  
9           or consumer, and

10          b. as defined under Industrial Group Number 7374 of the  
11          SIC Manual, latest version, which derive at least  
12          eighty percent (80%) of their annual gross revenues  
13          from the sale of a product or service to an out-of-  
14          state buyer or consumer.

15           Eligibility for the exemption set out in this paragraph shall be  
16 established, subject to review by the Tax Commission, by annually  
17 filing an affidavit with the Tax Commission stating that the  
18 facility so qualifies and such information as required by the Tax  
19 Commission. For purposes of determining whether annual gross  
20 revenues are derived from sales to out-of-state buyers or consumers,  
21 all sales to the federal government shall be considered to be to an  
22 out-of-state buyer or consumer;

23           22. Sales of prosthetic devices to an individual for use by  
24 such individual. For purposes of this paragraph, "prosthetic  
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1 device" shall have the same meaning as provided in Section 1357.6 of  
2 this title, but shall not include corrective eye glasses, contact  
3 lenses, or hearing aids;

4 23. Sales of tangible personal property or services to a motion  
5 picture or television production company to be used or consumed in  
6 connection with an eligible production. For purposes of this  
7 paragraph, "eligible production" means a documentary, special, music  
8 video or a television commercial or television program that will  
9 serve as a pilot for or be a segment of an ongoing dramatic or  
10 situation comedy series filmed or taped for network or national or  
11 regional syndication or a feature-length motion picture intended for  
12 theatrical release or for network or national or regional  
13 syndication or broadcast. The provisions of this paragraph shall  
14 apply to sales occurring on or after July 1, 1996. In order to  
15 qualify for the exemption, the motion picture or television  
16 production company shall file any documentation and information  
17 required to be submitted pursuant to rules promulgated by the Tax  
18 Commission;

19 24. Sales of diesel fuel sold for consumption by commercial  
20 vessels, barges and other commercial watercraft;

21 25. Sales of tangible personal property or services to tax-  
22 exempt independent nonprofit biomedical research foundations that  
23 provide educational programs for Oklahoma science students and  
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1 teachers and to tax-exempt independent nonprofit community blood  
2 banks headquartered in this state;

3 26. Effective May 6, 1992, sales of wireless telecommunications  
4 equipment to a vendor who subsequently transfers the equipment at no  
5 charge or for a discounted charge to a consumer as part of a  
6 promotional package or as an inducement to commence or continue a  
7 contract for wireless telecommunications services;

8 27. Effective January 1, 1991, leases of rail transportation  
9 cars to haul coal to coal-fired plants located in this state which  
10 generate electric power;

11 28. Beginning July 1, 2005, sales of aircraft engine repairs,  
12 modification, and replacement parts, sales of aircraft frame repairs  
13 and modification, aircraft interior modification, and paint, and  
14 sales of services employed in the repair, modification, and  
15 replacement of parts of aircraft engines, aircraft frame and  
16 interior repair and modification, and paint;

17 29. Sales of materials and supplies to the owner or operator of  
18 a ship, motor vessel, or barge that is used in interstate or  
19 international commerce if the materials and supplies:

20 a. are loaded on the ship, motor vessel, or barge and  
21 used in the maintenance and operation of the ship,  
22 motor vessel, or barge, or

23 b. enter into and become component parts of the ship,  
24 motor vessel, or barge;

1           30. Sales of tangible personal property made at estate sales at  
2 which such property is offered for sale on the premises of the  
3 former residence of the decedent by a person who is not required to  
4 be licensed pursuant to the Transient Merchant Licensing Act, or who  
5 is not otherwise required to obtain a sales tax permit for the sale  
6 of such property pursuant to the provisions of Section 1364 of this  
7 title; provided:

- 8           a. such sale or event may not be held for a period  
9                exceeding three (3) consecutive days,  
10           b. the sale must be conducted within six (6) months of  
11                the date of death of the decedent, and  
12           c. the exemption allowed by this paragraph shall not be  
13                allowed for property that was not part of the  
14                decedent's estate;

15           31. Beginning January 1, 2004, sales of electricity and  
16 associated delivery and transmission services, when sold exclusively  
17 for use by an oil and gas operator for reservoir dewatering projects  
18 and associated operations commencing on or after July 1, 2003, in  
19 which the initial water-to-oil ratio is greater than or equal to  
20 five-to-one water-to-oil, and such oil and gas development projects  
21 have been classified by the Corporation Commission as a reservoir  
22 dewatering unit;

23           32. Sales of prewritten computer software that is delivered  
24 electronically. For purposes of this paragraph, "delivered  
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1 electronically" means delivered to the purchaser by means other than  
2 tangible storage media;

3 33. Sales of modular dwelling units when built at a production  
4 facility and moved in whole or in parts, to be assembled on-site,  
5 and permanently affixed to the real property and used for  
6 residential or commercial purposes. The exemption provided by this  
7 paragraph shall equal forty-five percent (45%) of the total sales  
8 price of the modular dwelling unit. For purposes of this paragraph,  
9 "modular dwelling unit" means a structure that is not subject to the  
10 motor vehicle excise tax imposed pursuant to Section 2103 of this  
11 title;

12 34. Sales of tangible personal property or services to:

- 13 a. persons who are residents of Oklahoma and have been  
14 honorably discharged from active service in any branch  
15 of the Armed Forces of the United States or Oklahoma  
16 National Guard and who have been certified by the  
17 United States Department of Veterans Affairs or its  
18 successor to be in receipt of disability compensation  
19 at the one-hundred-percent rate and the disability  
20 shall be permanent and have been sustained through  
21 military action or accident or resulting from disease  
22 contracted while in such active service and registered  
23 with the veterans registry created by the Oklahoma  
24 Department of Veterans Affairs; provided, that if the



1 veteran received the sales tax exemption prior to  
2 November 1, 2020, he or she shall be required to  
3 register with the veterans registry prior to July 1,  
4 2023, in order to remain qualified, or

- 5 b. the surviving spouse of the person in subparagraph a  
6 of this paragraph if the person is deceased and the  
7 spouse has not remarried and the surviving spouse of a  
8 person who is determined by the United States  
9 Department of Defense or any branch of the United  
10 States military to have died while in the line of duty  
11 if the spouse has not remarried. Sales for the  
12 benefit of an eligible person to a spouse of the  
13 eligible person or to a member of the household in  
14 which the eligible person resides and who is  
15 authorized to make purchases on the person's behalf,  
16 when such eligible person is not present at the sale,  
17 shall also be exempt for purposes of this paragraph.  
18 The Oklahoma Tax Commission shall issue a separate  
19 exemption card to a spouse of an eligible person or to  
20 a member of the household in which the eligible person  
21 resides who is authorized to make purchases on the  
22 person's behalf, if requested by the eligible person.  
23 Sales qualifying for the exemption authorized by this  
24 paragraph shall not exceed Twenty-five Thousand

1 Dollars (\$25,000.00) per year per individual while the  
2 disabled veteran is living. Sales qualifying for the  
3 exemption authorized by this paragraph shall not  
4 exceed One Thousand Dollars (\$1,000.00) per year for  
5 an unremarried surviving spouse. Upon request of the  
6 Tax Commission, a person asserting or claiming the  
7 exemption authorized by this paragraph shall provide a  
8 statement, executed under oath, that the total sales  
9 amounts for which the exemption is applicable have not  
10 exceeded Twenty-five Thousand Dollars (\$25,000.00) per  
11 year per living disabled veteran or One Thousand  
12 Dollars (\$1,000.00) per year for an unremarried  
13 surviving spouse. If the amount of such exempt sales  
14 exceeds such amount, the sales tax in excess of the  
15 authorized amount shall be treated as a direct sales  
16 tax liability and may be recovered by the Tax  
17 Commission in the same manner provided by law for  
18 other taxes including penalty and interest. The Tax  
19 Commission shall promulgate any rules necessary to  
20 implement the provisions of this paragraph, which  
21 shall include rules providing for the disclosure of  
22 information about persons eligible for the exemption  
23 authorized in this paragraph to the Oklahoma  
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1 Department of ~~Veteran's~~ Veterans Affairs, as  
2 authorized in Section 205 of this title;

3 35. Sales of electricity to the operator, specifically  
4 designated by the Corporation Commission, of a spacing unit or lease  
5 from which oil is produced or attempted to be produced using  
6 enhanced recovery methods including, but not limited to, increased  
7 pressure in a producing formation through the use of water or  
8 saltwater if the electrical usage is associated with and necessary  
9 for the operation of equipment required to inject or circulate  
10 fluids in a producing formation for the purpose of forcing oil or  
11 petroleum into a wellbore for eventual recovery and production from  
12 the wellhead. In order to be eligible for the sales tax exemption  
13 authorized by this paragraph, the total content of oil recovered  
14 after the use of enhanced recovery methods shall not exceed one  
15 percent (1%) by volume. The exemption authorized by this paragraph  
16 shall be applicable only to the state sales tax rate and shall not  
17 be applicable to any county or municipal sales tax rate;

18 36. Sales of intrastate charter and tour bus transportation.  
19 As used in this paragraph, "intrastate charter and tour bus  
20 transportation" means the transportation of persons from one  
21 location in this state to another location in this state in a motor  
22 vehicle which has been constructed in such a manner that it may  
23 lawfully carry more than eighteen persons, and which is ordinarily  
24 used or rented to carry persons for compensation. Provided, this

1 exemption shall not apply to regularly scheduled bus transportation  
2 for the general public;

3 37. Sales of vitamins, minerals, and dietary supplements by a  
4 licensed chiropractor to a person who is the patient of such  
5 chiropractor at the physical location where the chiropractor  
6 provides chiropractic care or services to such patient. The  
7 provisions of this paragraph shall not be applicable to any drug,  
8 medicine, or substance for which a prescription by a licensed  
9 physician is required;

10 38. Sales of goods, wares, merchandise, tangible personal  
11 property, machinery, and equipment to a web search portal located in  
12 this state which derives at least eighty percent (80%) of its annual  
13 gross revenue from the sale of a product or service to an out-of-  
14 state buyer or consumer. For purposes of this paragraph, "web  
15 search portal" means an establishment classified under NAICS code  
16 519130 which operates websites that use a search engine to generate  
17 and maintain extensive databases of Internet addresses and content  
18 in an easily searchable format;

19 39. Sales of tangible personal property consumed or  
20 incorporated in the construction or expansion of a facility for a  
21 corporation organized under Section 437 et seq. of Title 18 of the  
22 Oklahoma Statutes as a rural electric cooperative. For purposes of  
23 this paragraph, sales made to a contractor or subcontractor that has  
24 previously entered into a contractual relationship with a rural

1 electric cooperative for construction or expansion of a facility  
2 shall be considered sales made to a rural electric cooperative;

3 40. Sales of tangible personal property or services to a  
4 business primarily engaged in the repair of consumer electronic  
5 goods including, but not limited to, cell phones, compact disc  
6 players, personal computers, MP3 players, digital devices for the  
7 storage and retrieval of information through hard-wired or wireless  
8 computer or Internet connections, if the devices are sold to the  
9 business by the original manufacturer of such devices and the  
10 devices are repaired, refitted or refurbished for sale by the entity  
11 qualifying for the exemption authorized by this paragraph directly  
12 to retail consumers or if the devices are sold to another business  
13 entity for sale to retail consumers;

14 41. On or after July 1, 2019, and prior to July 1, 2024, sales  
15 or leases of rolling stock when sold or leased by the manufacturer,  
16 regardless of whether the purchaser is a public services corporation  
17 engaged in business as a common carrier of property or passengers by  
18 railway, for use or consumption by a common carrier directly in the  
19 rendition of public service. For purposes of this paragraph,  
20 "rolling stock" means locomotives, autocars, and railroad cars and  
21 "sales or leases" includes railroad car maintenance and retrofitting  
22 of railroad cars for their further use only on the railways; and

23 42. Sales of gold, silver, platinum, palladium, or other  
24 bullion items such as coins and bars and legal tender of any nation,

1 which legal tender is sold according to its value as precious metal  
2 or as an investment. As used in the paragraph, "bullion" means any  
3 precious metal including, but not limited to, gold, silver,  
4 platinum, and palladium, that is in such a state or condition that  
5 its value depends upon its precious metal content and not its form.  
6 The exemption authorized by this paragraph shall not apply to  
7 fabricated metals that have been processed or manufactured for  
8 artistic use or as jewelry.

9 SECTION 2. This act shall become effective November 1, 2023.

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11 59-1-150 QD 1/15/2023 9:22:27 PM  
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