

1 ENGROSSED SENATE  
BILL NO. 538

By: Jech of the Senate

2  
3 and

4 Newton of the House  
5

6 An Act relating to sales tax code; amending 68 O.S.  
2011, Section 1353, as last amended by Section 1,  
7 Chapter 303, O.S.L. 2018 (68 O.S. Supp. 2018, Section  
1353), which relates to apportionment of revenues;  
8 increasing limit on certain apportionments; providing  
an effective date; and declaring an emergency.  
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11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1353, as  
13 last amended by Section 1, Chapter 303, O.S.L. 2018 (68 O.S. Supp.  
14 2018, Section 1353), is amended to read as follows:

15 Section 1353. A. It is hereby declared to be the purpose of  
16 the Oklahoma Sales Tax Code to provide funds for the financing of  
17 the program provided for by the Oklahoma Social Security Act and to  
18 provide revenues for the support of the functions of the state  
19 government of Oklahoma, and for this purpose it is hereby expressly  
20 provided that, revenues derived pursuant to the provisions of the  
21 Oklahoma Sales Tax Code, subject to the apportionment requirements  
22 for the Oklahoma Tax Commission and Office of Management and  
23 Enterprise Services Joint Computer Enhancement Fund provided by  
24 Section 265 of this title, shall be apportioned as follows:

1        1.    a.    except as provided in subsection C of this section,  
2                    the following amounts shall be paid to the State  
3                    Treasurer to be placed to the credit of the General  
4                    Revenue Fund to be paid out pursuant to direct  
5                    appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	86.04%
FY 2005	85.83%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

13        b.    in the event that additional monies are necessary  
14                    pursuant to paragraph 6 of this subsection, such  
15                    additional monies shall be deducted in the proportion  
16                    determined by the State Board of Equalization pursuant  
17                    to paragraph 3 of Section 2355.1B of this title from  
18                    the monies apportioned to the General Revenue Fund;

19        2.    For FY 2003, FY 2004 and FY 2005, ten and forty-two one-  
20 hundredths percent (10.42%), shall be paid to the State Treasurer to  
21 be placed to the credit of the Education Reform Revolving Fund of  
22 the State Department of Education and for FY 2006 and each fiscal  
23 year thereafter, ten and forty-six one-hundredths percent (10.46%)  
24 shall be paid to the State Treasurer to be placed to the credit of

1 the Education Reform Revolving Fund of the State Department of  
2 Education;

3 3. The following amounts shall be paid to the State Treasurer  
4 to be placed to the credit of the Teachers' Retirement System  
5 Dedicated Revenue Revolving Fund:

6	Fiscal Year	Amount
7	FY 2003 and FY 2004	3.54%
8	FY 2005	3.75%
9	FY 2006	4.0%
10	FY 2007	4.5%
11	FY 2008 and each fiscal	
12	year thereafter	5.0%

13 4. a. except as otherwise provided in subparagraph b of this  
14 paragraph, for the fiscal year beginning July 1, 2015,  
15 and for each fiscal year thereafter, eighty-seven one-  
16 hundredths percent (0.87%) shall be paid to the State  
17 Treasurer to be further apportioned as follows:

18 (1) thirty-six percent (36%) shall be placed to the  
19 credit of the Oklahoma Tourism Promotion  
20 Revolving Fund, but in no event shall such  
21 apportionment exceed ~~Five Million Dollars~~  
22 ~~(\$5,000,000.00)~~ Six Million Dollars  
23 (\$6,000,000.00) in any fiscal year, and  
24

1           (2) sixty-four percent (64%) shall be placed to the  
2           credit of the Oklahoma Tourism Capital  
3           Improvement Revolving Fund, but in no event shall  
4           such apportionment exceed ~~Nine Million Dollars~~  
5           ~~(\$9,000,000.00)~~ Ten Million Dollars  
6           (\$10,000,000.00) in any fiscal year, and

7           b. any amounts which exceed the limitations of  
8           subparagraph a of this paragraph shall be placed to  
9           the credit of the General Revenue Fund;

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

18          6. During the first fiscal year after the State Board of  
19         Equalization has made a determination as provided in Section 2355.1B  
20         of this title, regarding a baseline amount of revenue apportioned  
21         pursuant to paragraph 3 of this subsection, and for each fiscal year  
22         thereafter, in no event shall monies apportioned pursuant to  
23         paragraph 3 of this subsection, paragraph 3 of Section 1403 of this  
24

1 title and subparagraph c of paragraph 1 of Section 2352 of this  
2 title be less than such baseline amount.

3 B. Provided, for the fiscal year beginning July 1, 2007, and  
4 every fiscal year thereafter, an amount of revenue shall be  
5 apportioned to each municipality or county which levies a sales tax  
6 subject to the provisions of Section 1357.10 of this title and  
7 subsection F of Section 2701 of this title equal to the amount of  
8 sales tax revenue of such municipality or county exempted by the  
9 provisions of Section 1357.10 of this title and subsection F of  
10 Section 2701 of this title. The Oklahoma Tax Commission shall  
11 promulgate and adopt rules necessary to implement the provisions of  
12 this subsection.

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

16 1. For the month ending August 31, 2018:

17 a. Twenty-five Million Dollars (\$25,000,000.00) to the  
18 credit of the State Highway Construction and  
19 Maintenance Fund created in Section 1501 of Title 69  
20 of the Oklahoma Statutes, and

21 b. Four Million Dollars (\$4,000,000.00) to the credit of  
22 the Oklahoma Railroad Maintenance Revolving Fund  
23 created in Section 309 of Title 66 of the Oklahoma  
24 Statutes;

1       2. For the month ending September 30, 2018:

2           a. Twenty-five Million Dollars (\$25,000,000.00) to the  
3           credit of the State Highway Construction and  
4           Maintenance Fund created in Section 1501 of Title 69  
5           of the Oklahoma Statutes, and

6           b. Four Million Dollars (\$4,000,000.00) to the credit of  
7           the Oklahoma Railroad Maintenance Revolving Fund  
8           created in Section 309 of Title 66 of the Oklahoma  
9           Statutes; and

10       3. For the month ending October 31, 2018:

11           a. Thirty Million Dollars (\$30,000,000.00) to the credit  
12           of the State Highway Construction and Maintenance Fund  
13           created in Section 1501 of Title 69 of the Oklahoma  
14           Statutes, and

15           b. Four Million Dollars (\$4,000,000.00) to the credit of  
16           the Oklahoma Railroad Maintenance Revolving Fund  
17           created in Section 309 of Title 66 of the Oklahoma  
18           Statutes.

19       SECTION 2. This act shall become effective July 1, 2019.

20       SECTION 3. It being immediately necessary for the preservation  
21 of the public peace, health or safety, an emergency is hereby  
22 declared to exist, by reason whereof this act shall take effect and  
23 be in full force from and after its passage and approval.

1 Passed the Senate the 27th day of February, 2019.

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3 \_\_\_\_\_  
4 Presiding Officer of the Senate

5 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
6 2019.

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8 \_\_\_\_\_  
9 Presiding Officer of the House  
of Representatives