

1 ENGROSSED SENATE  
2 BILL NO. 738

By: Bass, Schulz, and  
Barrington of the Senate

3 and

4 Casey of the House

5  
6  
7 [ income tax - apportionment of revenue - modifying  
8 apportionment under specified circumstances -  
~~effective date -~~ emergency ]

9  
10  
11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2352, as  
13 last amended by Section 1, Chapter 253, O.S.L. 2013 (68 O.S. Supp.  
14 2014, Section 2352), is amended to read as follows:

15 Section 2352. A. It is hereby declared to be the purpose of  
16 ~~Section 2351 et seq. of this title~~ the Oklahoma Income Tax Act to  
17 provide revenue for general governmental functions of state  
18 government; and, for that purpose and to that end, it is expressly  
19 declared that the revenue derived herefrom and penalties and  
20 interest thereon, subject to the apportionment requirements for the  
21 Rebuilding Oklahoma Access and Driver Safety Fund, the Oklahoma  
22 Tourism and Passenger Rail Revolving Fund and the Public Transit  
23 Revolving Fund to be derived from income tax revenue that would  
24 otherwise be apportioned to the General Revenue Fund as provided by

1 Section 1521 of Title 69 of the Oklahoma Statutes, subject to the  
2 apportionment requirements for the Oklahoma Tax Commission and  
3 Office of Management and Enterprise Services Joint Computer  
4 Enhancement Fund provided by Section 265 of this title, ~~and subject~~  
5 ~~to the apportionment requirements for the Oklahoma State Capitol~~  
6 ~~Building Repair and Restoration Fund provided by Section 4 of this~~  
7 ~~act~~, shall be distributed as follows:

8 1. For the fiscal year beginning July 1, 2002, the first Five  
9 Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue  
10 derived pursuant to the provisions of subsections A, B and E of  
11 Section 2355 of this title shall be apportioned to the Education  
12 Reform Revolving Fund. The remainder of such revenue for the fiscal  
13 year beginning July 1, 2002, and all such revenue for each fiscal  
14 year thereafter shall be apportioned monthly as follows:

15 a. (1) the following amounts shall be paid to the State  
16 Treasurer to be placed to the credit of the  
17 General Revenue Fund of the state for such fiscal  
18 year for the support of the state government to  
19 be paid out only pursuant to appropriation by the  
20 Legislature:

| Fiscal Year         | Amount |
|---------------------|--------|
| FY 2003 and FY 2004 | 87.12% |
| FY 2005             | 86.91% |
| FY 2006             | 86.66% |



| Fiscal Year                             | Amount |
|---|--------|
| FY 2003 and FY 2004                     | 3.54%  |
| FY 2005                                 | 3.75%  |
| FY 2006                                 | 4.0%   |
| FY 2007                                 | 4.5%   |
| FY 2008 and each fiscal year thereafter | 5.0%   |

d. ~~for FY 2003 and each fiscal year thereafter~~ through FY 2015, one percent (1%), and for FY 2016 and each fiscal year thereafter, a percentage to be determined subject to the provisions of subsection B of this section, shall be placed to the credit of the Ad Valorem Reimbursement Fund;

2. Beginning July 1, 2003, for any period of time as certified by the Oklahoma Development Finance Authority and the Oklahoma Department of Commerce to be necessary for the repayment of obligations issued by the Oklahoma Development Finance Authority pursuant to Section 3654 of this title if the other sources of revenue paid to or apportioned to the Quality Jobs Program Incentive Leverage Fund are not adequate, including the proceeds from payment pursuant to the guaranty required by subsection M of Section 3654 of this title, an amount certified by the Oklahoma Development Finance Authority to the Oklahoma Tax Commission shall be apportioned to the Quality Jobs Program Incentive Leverage Fund before any other

1 appportionments are made as otherwise authorized by this paragraph.  
2 The Oklahoma Development Finance Authority shall certify to the  
3 Oklahoma Tax Commission the time as of which the revenue authorized  
4 for appportionment pursuant to this paragraph is no longer required.  
5 After the certification, the revenue derived from the income tax  
6 shall be appportioned in the manner otherwise provided by this  
7 section. Except as otherwise provided by this paragraph, for the  
8 fiscal year beginning July 1, 2002, the first Forty-One Million One  
9 Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of  
10 revenue derived pursuant to the provisions of subsections D and E of  
11 Section 2355 of this title shall be appportioned to the Education  
12 Reform Revolving Fund. The remainder of such revenue for the fiscal  
13 year beginning July 1, 2002, and all such revenue for each fiscal  
14 year thereafter, subject to the appportionment requirements for the  
15 Oklahoma Tax Commission and Office of Management and Enterprise  
16 Services Joint Computer Enhancement Fund provided by Section 265 of  
17 this title, shall be appportioned monthly as follows:

18 a. the following amounts shall be paid to the State  
19 Treasurer to be placed to the credit of the General  
20 Revenue Fund of the state for such fiscal year for the  
21 support of the state government to be paid out only  
22 pursuant to appropriation by the Legislature:

| Fiscal Year         | Amount |
|---------------------|--------|
| FY 2003 and FY 2004 | 78.96% |

|   |                                    |        |
|---|------------------------------------|--------|
| 1 | FY 2005                            | 78.75% |
| 2 | FY 2006                            | 78.50% |
| 3 | FY 2007                            | 78.0%  |
| 4 | <del>FY 2008 and each fiscal</del> |        |
| 5 | <del>year thereafter</del>         |        |
| 6 | <u>through FY 2015</u>             | 77.50% |

7 For FY 2016 and each fiscal  
8 year thereafter, a  
9 percentage to be  
10 determined subject to the  
11 provisions of subsection C  
12 of this section,

13 b. for FY 2003 and each fiscal year thereafter, sixteen  
14 and five-tenths percent (16.5%) shall be paid to the  
15 State Treasurer to be placed to the credit of the  
16 Education Reform Revolving Fund of the State  
17 Department of Education,

18 c. the following amounts shall be paid to the State  
19 Treasurer to be placed to the credit of the Teachers'  
20 Retirement System Dedicated Revenue Revolving Fund:

|    |                     |        |
|----|---------------------|--------|
| 21 | Fiscal Year         | Amount |
| 22 | FY 2003 and FY 2004 | 3.54%  |
| 23 | FY 2005             | 3.75%  |
| 24 | FY 2006             | 4.0%   |



1 hundredths percent (85.66%) to eighty-four and sixty-six one-  
2 hundredths percent (84.66%) and the monthly apportionment of revenue  
3 provided for in subparagraph d of paragraph 1 of subsection A of  
4 this section shall be increased from one percent (1%) to two percent  
5 (2%) for the current fiscal year.

6 C. Beginning on July 1, 2015, and each July 1 thereafter,  
7 following a fiscal year for which one percent (1%) of revenue  
8 apportioned pursuant to this section for a fiscal year equals less  
9 than Thirty-five Million Dollars (\$35,000,000.00), the monthly  
10 apportionment of revenue provided for in subparagraph a of paragraph  
11 2 of subsection A of this section shall be reduced from seventy-  
12 seven and fifty one-hundredths percent (77.50%) to seventy-six and  
13 fifty one-hundredths percent (76.50%) and the monthly apportionment  
14 of revenue provided for in subparagraph d of paragraph 2 of  
15 subsection A of this section shall be increased from one percent  
16 (1%) to two percent (2%) for the current fiscal year.

17 ~~SECTION 2. This act shall become effective July 1, 2015.~~

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

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