STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2294 By: Wright

COMMITTEE SUBSTITUTE

[revenue and taxation - deduction for seller or vendor - defining term – codification - effective date - emergency]

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1367.2 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. Until July 1, 2022, for the purpose of compensating the seller or vendor for keeping sales tax records and for filing reports and remitting the tax when due, a seller or vendor shall be allowed a deduction of three percent (3%) of the tax due under the applicable provisions of Title 68 of the Oklahoma Statutes.

The deduction shall not be allowed with respect to a direct payment permit.

B. No deductions from tax shall be allowed if any such report or payment of tax is delinquent; provided, the deduction shall be allowed if the Oklahoma Tax Commission determines that the reason that the report or payment of tax was delinquent was due to a tornado occurring in a calendar year for which a Presidential Major Disaster Declaration was issued or due to a tornado occurring in a calendar year for which a Presidential Major Disaster Declaration was not issued.

C. Notwithstanding the formula provided by subsection A of this section, the deduction provided by this section shall be limited to a maximum of Two Thousand Five Hundred Dollars ($2,500.00) per month per sales tax permit. No sales tax permit holder may change sales tax permit status in order to avoid the provisions of this subsection.

D. An amount equal to the excess of the amount calculated by the formula provided by subsection A of this section over the two-thousand-five-hundred-dollar limit provided by subsection C of this section shall be retained by the state as an administrative expense and deposited to the General Revenue Fund.

E. Notwithstanding the provisions of subsections A, B, C and D of this section, if federal authority authorizes this state to require remote sellers to collect and remit sales and use taxes, the Oklahoma Tax Commission is authorized and directed to promulgate rules which provide for deductions in the amounts and subject to the

limitations provided in the Streamlined Sales and Use Tax Agreement. All sellers or vendors shall be eligible for such deductions beginning on the date this state acquires such collection authority pursuant to federal authorization.

F. For purposes of this section, the term "remote seller" means a seller that would not be required to register to collect sales and use taxes in this state but for the ability of this state to require the remote seller to collect sales or use tax under federal authority.

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

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

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