

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 56th Legislature (2017)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2345

By: Osborn (Leslie) and Wallace
of the House

and

David and Fields of the
Senate

11 COMMITTEE SUBSTITUTE

12 An Act relating to coin-operated devices; amending 68
13 O.S. 2011, Section 1503, which relates to permit fees
14 for coin-operated devices; increasing amount of
annual fee for certain types of devices; providing an
effective date; and declaring an emergency.

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

18 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1503, is
19 amended to read as follows:

20 Section 1503. A. Every person who owns and has available to
21 any of the public for operation, or who permits to be operated in or
22 on his place of business, coin-operated devices shall pay for such
23 privilege an annual fee. A fee shall be required for each machine,
24 regardless of the number of coin slots, if the machine, upon

1 insertion of a coin, token or similar object, provides music,
2 amusement or entertainment or dispenses one or more products
3 separate and apart from any other provider of music, amusement or
4 entertainment or dispenser of one or more products. The test to
5 determine whether the machine can operate separate and apart from
6 any other shall be whether the provider or dispenser can still
7 function if separated from the others to which it is attached. When
8 multiple machines are placed on a single stand, a decal shall be
9 required for each machine as provided in Section 1501 et seq. of
10 this title. The annual fee required shall be as follows:

11 1. For each coin-operated music device or coin-operated
12 amusement device, ~~Seventy-five Dollars (\$75.00)~~ One Hundred Fifty
13 Dollars (\$150.00);

14 2. For each coin-operated vending device requiring a coin or
15 thing of value of twenty-five cents (\$0.25) or more, ~~Seventy-five~~
16 ~~Dollars (\$75.00)~~ One Hundred Fifty Dollars (\$150.00);

17 3. For each coin-operated vending device requiring a coin or
18 thing of value of less than twenty-five cents (\$0.25), ~~Ten Dollars~~
19 ~~(\$10.00)~~ Twenty Dollars (\$20.00);

20 4. For each coin-operated bulk vending device which vends one
21 or more products through a single distribution mechanism requiring a
22 coin or thing of value of twenty-five cents (\$0.25) or more, ~~Five~~
23 ~~Dollars (\$5.00)~~ Ten Dollars (\$10.00);

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1 5. For each coin-operated bulk vending device which vends one
2 or more products through more than one but not more than five
3 distribution mechanisms, requiring a coin or thing of value of
4 twenty-five cents (\$0.25) or more, ~~Fifteen Dollars (\$15.00)~~ Thirty
5 Dollars (\$30.00). For each coin-operated bulk vending device which
6 vends one or more products through six or more distribution
7 mechanisms, the appropriate number of ~~fifteen-dollar~~ thirty-dollar
8 decals will be required. The number of decals required shall be
9 determined by dividing the number of distribution mechanisms by five
10 and rounding to the next highest whole number; and

11 6. For each coin-operated bulk vending device requiring a coin
12 or thing of value less than twenty-five cents (\$0.25), ~~Two Dollars~~
13 ~~(\$2.00)~~ Four Dollars (\$4.00).

14 B. The annual fee required by this section shall be in lieu of
15 sales tax levied pursuant to Sections 1350 through 1372 of this
16 title.

17 C. In those instances where it is shown to the satisfaction of
18 the Tax Commission that a coin-operated device, upon which an annual
19 fee is imposed, will be placed available for use by the public for a
20 definite but limited period of time less than one (1) year, such as
21 where displayed in connection with fairs, carnivals, and places of
22 amusement that operate only during certain seasons of the year, the
23 Commission may issue a special decal therefor. Such special decal
24 may be issued for any number of calendar months less than a full

1 year, and shall indicate that it is a special decal; and shall be
2 for one or more calendar months and shall state the precise months
3 for which issued and shall not be transferred from one machine to
4 another. The fee shall be computed and paid on the basis of one-
5 tenth (1/10) of the annual rate for the type of device operated, for
6 each calendar month for which such special decal is issued. In the
7 event the mechanical device is made available to the public for a
8 period beyond that for which the special decal is issued, then a
9 full year's fee and penalty, as set out in Section 1506 of this
10 title, shall be due.

11 SECTION 2. This act shall become effective July 1, 2017.

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

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17 COMMITTEE REPORT BY: COMMITTEE ON JOINT COMMITTEE ON APPROPRIATIONS
18 AND BUDGET, dated 04/17/2017 - DO PASS, As Amended.

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