

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 HOUSE BILL 2498

By: Cox

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5  
6 AS INTRODUCED

7 An Act relating to revenue and taxation; ordering a  
8 legislative referendum pursuant to the Oklahoma  
9 Constitution; imposing additional tax levy upon  
10 cigarettes; specifying amount of additional levy;  
11 providing for apportionment of revenues; creating the  
12 Common Education Classroom Teacher Performance  
13 Stipend Revolving Fund; providing for apportionment  
14 of revenues; providing for expenditure of revenues;  
15 prescribing method for expenditure; providing for  
16 codification; providing an effective date; providing  
17 ballot title; and directing filing.

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

21 SECTION 1. Pursuant to Section 3 of Article V of the Oklahoma  
22 Constitution, there is hereby ordered the following legislative  
23 referendum which shall be filed with the Secretary of State and  
24 addressed to the Governor of the state, who shall submit the same to  
the people for their approval or rejection at the next General  
Election, to be held on November 8, 2016.

SECTION 2. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 302-7 of Title 68, unless there  
is created a duplication in numbering, reads as follows:

1       A. Effective January 1, 2017, in addition to the tax levied in  
2 Sections 302, 302-1, 302-2, 302-3, 302-4 and 302-5 of Title 68 of  
3 the Oklahoma Statutes, there is hereby levied upon the sale, use,  
4 gift, possession, or consumption of cigarettes, as defined in  
5 Sections 301 through 325 of this title, within this state, a tax at  
6 the rate of One Dollar and fifty cents (\$1.50) per pack of  
7 cigarettes.

8       B. Except as provided in subsection D of this section, the  
9 revenue resulting from the additional tax levied in subsection A of  
10 this section shall be apportioned by the Oklahoma Tax Commission and  
11 transmitted to the State Treasurer as follows:

12       1. Sixty-six percent (66%) shall be placed to the credit of the  
13 Common Education Classroom Teacher Performance Stipend Revolving  
14 Fund created in Section 3 of this act; and

15       2. Thirty-four percent (34%) shall be placed to the credit of  
16 the Health Employee and Economy Improvement Act Revolving Fund  
17 created in Section 1010.1 of Title 56 of the Oklahoma Statutes.

18       C. The tax shall be evidenced by tax stamps as now provided  
19 for; however, as to cigarette packages of less than ten cigarettes  
20 for free distribution as samples, the tax herein levied shall be  
21 computed and paid as provided for other cigarette taxes without  
22 affixing stamps on each such package.

23       D. The net amount of any revenue resulting from a payment in  
24 lieu of excise taxes on cigarettes levied by this section, pursuant

1 to a compact with a federally recognized Indian tribe or nation  
2 after deductions for deposits into trust accounts pursuant to such  
3 compacts, shall be apportioned by the Tax Commission and transmitted  
4 to the State Treasurer as follows:

5 1. Sixty-six percent (66%) shall be placed to the credit of the  
6 Common Education Classroom Teacher Performance Stipend Revolving  
7 Fund created in Section 3 of this act; and

8 2. Thirty-four percent (34%) shall be placed to the credit of  
9 the Health Employee and Economy Improvement Act Revolving Fund  
10 created in Section 1010.1 of Title 56 of the Oklahoma Statutes.

11 E. No part of the revenues resulting from the additional taxes  
12 levied in this section shall be used in determining the amount of  
13 cigarette tax collections to be paid into:

14 1. The State of Oklahoma Building Bonds of 1961 Sinking Fund  
15 pursuant to the provisions of Sections 57.31 through 57.43 of Title  
16 62 of the Oklahoma Statutes;

17 2. The State of Oklahoma Institutional Building Bonds of 1965  
18 Sinking Fund pursuant to the provisions of Sections 57.61 through  
19 57.73 of Title 62 of the Oklahoma Statutes;

20 3. The State of Oklahoma Institutional Building Bonds of 1965  
21 Sinking Fund Series C and Series D pursuant to Sections 57.81  
22 through 57.112 of Title 62 of the Oklahoma Statutes;

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1           4. The State of Oklahoma Building Bonds of 1968 Sinking Fund  
2 pursuant to the provisions of Sections 57.121 through 57.193 of  
3 Title 62 of the Oklahoma Statutes; or

4           5. The Oklahoma Building Bonds of 1992 Sinking Fund pursuant to  
5 the provisions of Sections 57.300 through 57.313 of Title 62 of the  
6 Oklahoma Statutes.

7           F. The cigarette taxes levied in this section shall be  
8 collected and administered in all respects not inconsistent with as  
9 now or hereafter provided for by law for other cigarette taxes now  
10 levied, collected, and administered pursuant to the provisions of  
11 Sections 301 through 325 of Title 68 of the Oklahoma Statutes.

12           SECTION 3. There is hereby created in the State Treasury a  
13 revolving fund for the State Department of Education to be  
14 designated the "Common Education Classroom Teacher Performance  
15 Stipend Revolving Fund". The fund shall be a continuing fund, not  
16 subject to fiscal year limitations, and shall consist of all monies  
17 received by the State Department of Education from the revenues  
18 apportioned pursuant to Section 2 of this measure. All monies  
19 accruing to the credit of said fund are hereby appropriated and may  
20 be budgeted and expended by the State Department of Education for  
21 the purpose of granting stipends to classroom teachers according to  
22 such standards as may be imposed by law. Expenditures from said  
23 fund shall be made upon warrants issued by the State Treasurer  
24 against claims filed as prescribed by law with the Director of the

1 Office of Management and Enterprise Services for approval and  
2 payment.

3 SECTION 4. This act shall become effective January 1, 2017.

4 SECTION 5. The Ballot Title for the proposed act shall be in  
5 the following form:

6 BALLOT TITLE

7 Legislative Referendum No. \_\_\_\_\_ State Question No. \_\_\_\_\_

8 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

9 This measure would provide for an additional tax on each pack of  
10 cigarettes. The additional tax would be One Dollar and Fifty  
11 Cents (\$1.50) per pack. The revenue from the additional tax  
12 would be sent to two different funds. Sixty-six percent (66%)  
13 of the new tax revenue would be sent to a new fund. This new  
14 fund is the "Common Education Classroom Teacher Performance  
15 Stipend Revolving Fund." The fund would be used to provide  
16 stipends to eligible classroom teachers. Thirty-four percent  
17 (34%) of the new tax revenue would be sent to the Health  
18 Employee and Economy Improvement Act Revolving Fund to provide  
19 health care insurance to certain eligible persons. The new tax  
20 levy would become effective January 1, 2017.

21 SHALL THE PROPOSAL BE APPROVED?

22 FOR THE PROPOSAL - YES \_\_\_\_\_

23 AGAINST THE PROPOSAL - NO \_\_\_\_\_

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1           SECTION 6. The Chief Clerk of the House of Representatives,  
2 immediately after the passage of this act, shall prepare and file  
3 one copy thereof, including the Ballot Title set forth in SECTION 5  
4 hereof, with the Secretary of State and one copy with the Attorney  
5 General.

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