

1 STATE OF OKLAHOMA

2 2nd Session of the 56th Legislature (2018)

3 HOUSE BILL 2763

By: Humphrey

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6 AS INTRODUCED

7 An Act relating to revenue and taxation; stating
8 purpose of tax levy; imposing levy of tax on
9 extraction of certain aggregate materials; stating
10 rate of tax levy; providing for exemptions from tax
11 levy; prescribing procedures for remittance of tax;
12 prescribing due dates; providing for imposition of
penalty and interest; providing for apportionment of
revenues; providing for apportionment to counties;
providing for apportionment to municipalities;
providing for codification; and providing an
effective date.

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

16 SECTION 1. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 2806.1 of Title 68, unless there
18 is created a duplication in numbering, reads as follows:

19 The purpose of the tax levy authorized pursuant to the
20 provisions of this act is to provide revenues to counties and
21 municipalities to compensate those governmental jurisdictions for
22 costs associated with damage to local roads and bridges resulting
23 from heavy vehicles engaged in transportation of aggregate materials
24 extracted in the area.

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2806.2 of Title 68, unless there
3 is created a duplication in numbering, reads as follows:

4 A. There is hereby imposed a tax upon the severance of rock,
5 gravel, granite, sand, limestone or any other natural materials
6 mined for purposes of producing aggregate within the unincorporated
7 area of a county or within the incorporated area of a municipality
8 by any lawfully recognized for-profit business entity equal to seven
9 percent (7%) of the gross receipts paid to the entity extracting
10 such materials.

11 B. No severance tax shall be applicable to aggregates extracted
12 by an individual person or persons from real property owned by such
13 person or persons and not sold for profit.

14 C. No severance tax shall be applicable to limestone extracted
15 for agricultural purposes.

16 SECTION 3. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 2806.3 of Title 68, unless there
18 is created a duplication in numbering, reads as follows:

19 The tax imposed pursuant to Section 2 of this act shall be
20 remitted to the county treasurer of the county in which the source
21 of the aggregate material is located if the site of extraction is
22 located in an unincorporated area or to the municipal treasurer if
23 the site of the extraction is located within an incorporated area.
24 If the extraction occurs on real property located in more than one

1 county, the amount remitted to each county shall be computed by
2 determining the acreage of the real property from which aggregates
3 are extracted in each county and dividing that figure by the total
4 acreage of the real property from which aggregates are extracted in
5 all counties. The tax, penalty and interest, if applicable, shall
6 be apportioned to each county according to the resulting percentage.

7 SECTION 4. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 2806.4 of Title 68, unless there
9 is created a duplication in numbering, reads as follows:

10 A. The tax shall be remitted on a form to be prescribed by the
11 Oklahoma Tax Commission for such purpose.

12 B. The tax shall be remitted not later than the fifteenth day
13 of the month following the month during which payment is made for
14 the aggregate materials extracted.

15 SECTION 5. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 2806.5 of Title 68, unless there
17 is created a duplication in numbering, reads as follows:

18 A. If not remitted by the time period prescribed by Section 4
19 of this act, there shall be imposed a penalty of ten percent (10%)
20 of the principal amount of tax due and owing which shall be included
21 in the amount of the tax liability owed.

22 B. If not remitted by the time period prescribed by Section 4
23 of this act, interest shall accrue on the amount of the tax
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1 liability due and owing at the rate of fifteen percent (15%) per
2 annum until paid.

3 SECTION 6. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 2806.6 of Title 68, unless there
5 is created a duplication in numbering, reads as follows:

6 All taxes, penalty and interest remitted to a county shall be
7 apportioned by the county treasurer of the applicable county to the
8 county general fund in which the source of the extracted aggregate
9 material is located, and all taxes, penalty and interest remitted to
10 a municipality shall be apportioned by the municipal treasurer to
11 the general fund of the municipality.

12 SECTION 7. This act shall become effective November 1, 2018.

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