

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 SENATE BILL 356

By: Paxton

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5  
6 AS INTRODUCED

7 An Act relating to sales tax exemption; amending 68  
8 O.S. 2011, Section 1360, which relates to exemptions  
9 for corporations and partnerships; providing  
10 exemption for specified transfers of tangible  
11 personal property; and providing an effective date.

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

13 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1360, is  
14 amended to read as follows:

15 Section 1360. Exemptions - Corporations - Partnerships.

16 There are hereby specifically exempted from the tax levied in  
17 ~~this article~~ Section 1350 et seq. of this title:

18 1. The transfer of tangible personal property, as follows:

- 19 a. from one corporation to another corporation pursuant  
20 to a reorganization. As used in this subparagraph the  
21 term "reorganization" means a statutory merger or  
22 consolidation or the acquisition by a corporation of  
23 substantially all of the properties of another  
24 corporation when the consideration is solely all or a

1 part of the voting stock of the acquiring corporation,  
2 or of its parent or subsidiary corporation,

3 b. between wholly owned subsidiaries of a parent company  
4 and between a parent company and its wholly owned  
5 subsidiary,

6 c. in connection with the winding up, dissolution or  
7 liquidation of a corporation only when there is a  
8 distribution in kind to the shareholders of the  
9 property of such corporation,

10 ~~e.~~

11 d. to a corporation for the purpose of organization of  
12 such corporation where the former owners of the  
13 property transferred are immediately after the  
14 transfer in control of the corporation, and the value  
15 of the stock or securities received by each is  
16 substantially in proportion to the value of such  
17 person's interest in the property transferred by all  
18 the former owners,

19 ~~d.~~

20 e. to a partnership in the organization of such  
21 partnership if the former owners of the property  
22 transferred are, immediately after the transfer,  
23 members of such partnership and the value of the  
24 interest in the partnership, received by each, is

1 substantially in proportion to the value of such  
2 person's interest in the property transferred by all  
3 former owners,

4 ~~e.~~

5 f. from a partnership to the members thereof when made in  
6 kind in the dissolution of such partnership,

7 ~~f.~~

8 g. to a limited liability company in the organization of  
9 the limited liability company if the former owners of  
10 the property transferred are, immediately after the  
11 transfer, members of the limited liability company and  
12 the value of the interest in the limited liability  
13 company received by each is substantially in  
14 proportion to the value of the interest in the  
15 property transferred by all the former owners, and

16 ~~g.~~

17 h. from a limited liability company to the members  
18 thereof when made in kind in the dissolution of the  
19 limited liability company; and

20 2. Sale of an interest in tangible personal property to a  
21 partner or other person who after such sale owns a joint interest in  
22 such tangible personal property where the Oklahoma Sales or Use Tax  
23 has previously been paid on such tangible personal property.

1 SECTION 2. This act shall become effective November 1, 2021.

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