

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. 2359

By: Osborn (Leslie) and Wallace
of the House

and

David and Fields of the
Senate

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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
15 annual fee for certain types of devices; providing an
16 effective date; and declaring an emergency.

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

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

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

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

12 1. For each coin-operated music device or coin-operated
13 amusement device, ~~Seventy-five Dollars (\$75.00)~~ One Hundred Twelve
14 Dollars and fifty cents (\$112.50);

15 2. For each coin-operated vending device requiring a coin or
16 thing of value of twenty-five cents (\$0.25) or more, ~~Seventy-five~~
17 ~~Dollars (\$75.00)~~ One Hundred Dollars (\$100.00);

18 3. For each coin-operated vending device requiring a coin or
19 thing of value of less than twenty-five cents (\$0.25), ~~Ten Dollars~~
20 ~~(\$10.00)~~ Fifteen Dollars (\$15.00);

21 4. For each coin-operated bulk vending device which vends one
22 or more products through a single distribution mechanism requiring a
23 coin or thing of value of twenty-five cents (\$0.25) or more, ~~Five~~
24 ~~Dollars (\$5.00)~~ Seven Dollars and fifty cents (\$7.50);

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)~~ Twenty-
5 two Dollars and fifty cents (\$22.50). For each coin-operated bulk
6 vending device which vends one or more products through six or more
7 distribution mechanisms, the appropriate number of ~~fifteen-dollar~~
8 twenty-two-dollars-and-fifty-cent decals will be required. The
9 number of decals required shall be determined by dividing the number
10 of distribution mechanisms by five and rounding to the next highest
11 whole number; and

12 6. For each coin-operated bulk vending device requiring a coin
13 or thing of value less than twenty-five cents (\$0.25), ~~Two Dollars~~
14 ~~(\$2.00)~~ Three Dollars (\$3.00).

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

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

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

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

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

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18 COMMITTEE REPORT BY: COMMITTEE ON JOINT COMMITTEE ON APPROPRIATIONS
19 AND BUDGET, dated 04/27/2017 - DO PASS, As Amended.
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