

1 ENGROSSED SENATE
2 BILL NO. 337

By: Dugger and Holt of the
Senate

3 and

4 Babinec of the House

5
6 An Act relating to use tax; amending Section 4,
7 Chapter 311, O.S.L. 2016 (68 O.S. Supp. 2016, Section
8 1406.2), which relates to notification of total
9 sales; requiring certain retailers and vendors to
10 provide certain annual statement to Oklahoma Tax
11 Commission and providing contents and deadline
12 thereof; authorizing Tax Commission to require
13 certain retailers and vendors to file electronically;
14 providing penalty for failure to file; and providing
15 an effective date.

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

17 SECTION 1. AMENDATORY Section 4, Chapter 311, O.S.L.
18 2016 (68 O.S. Supp. 2017, Section 1406.2), is amended to read as
19 follows:

20 Section 1406.2. A. Each retailer or vendor making sales of
21 tangible personal property from a place of business outside this
22 state for use in this state that is not required to collect use tax
23 shall, by February 1 of each year, provide to each customer to whom
24 tangible personal property was delivered in this state a statement
of the total sales made to the customer during the preceding
calendar year. The statement must contain language substantially
similar to the following:

1 "YOU MAY OWE OKLAHOMA USE TAX ON PURCHASES YOU MADE FROM US
2 DURING THE PREVIOUS TAX YEAR. THE AMOUNT OF TAX YOU MAY OWE
3 IS BASED ON THE TOTAL SALES PRICE OF [INSERT TOTAL SALES
4 PRICE] THAT MUST BE REPORTED AND PAID WHEN YOU FILE YOUR
5 OKLAHOMA INCOME TAX RETURN UNLESS YOU HAVE ALREADY PAID THE
6 TAX."

7 The statement must not contain any other information that would
8 indicate, imply or identify the class, type, description or name of
9 the products purchased. Any information that would indicate, imply
10 or identify the class, type, description or name of the products
11 purchased is strictly confidential.

12 B. The statement may be provided by first-class mail, email or
13 other electronic communication.

14 C. Each retailer or vendor making sales of tangible personal
15 property from a place of business outside this state for use in this
16 state that does not collect use tax shall file an annual statement
17 for each purchaser to the Oklahoma Tax Commission on such forms as
18 are provided or approved by the Tax Commission showing the total
19 amount paid for Oklahoma purchases made by the purchaser during the
20 preceding calendar year or any portion thereof, and such annual
21 statement shall be filed on or before March 1 of each year.

22 D. The Tax Commission may require any retailer or vendor that
23 does not collect use tax, and that makes total Oklahoma sales of
24 more than One Hundred Thousand Dollars (\$100,000.00) in a year, to

1 electronically file the annual statement required in subsection C of
2 this section.

3 E. Failure to file the annual statement required in subsection
4 C of this section shall subject the retailer or vendor to a penalty
5 of Ten Dollars (\$10.00) for each purchaser subject to the
6 requirements of subsection C of this section, unless the retailer or
7 vendor shows reasonable cause for such failure.

8 SECTION 2. This act shall become effective November 1, 2018.

9 Passed the Senate the 14th day of March, 2018.

11 _____
12 Presiding Officer of the Senate

13 Passed the House of Representatives the ____ day of _____,
14 2018.

16 _____
17 Presiding Officer of the House
18 of Representatives