

An Act

ENROLLED SENATE
BILL NO. 337

By: Dugger and Holt of the
Senate

and

Babinec of the House

An Act relating to use tax; amending Section 4, Chapter 311, O.S.L. 2016 (68 O.S. Supp. 2017, Section 1406.2), which relates to notification of total sales; requiring certain retailers and vendors to provide certain annual statement to Oklahoma Tax Commission and providing contents and deadline thereof; authorizing Tax Commission to require certain retailers and vendors to file electronically; providing penalty for failure to file; and providing an effective date.

SUBJECT: Use tax

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

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

Section 1406.2. A. Each retailer or vendor making sales of tangible personal property from a place of business outside this state for use in this state that is not required to collect use tax shall, by February 1 of each year, provide to each customer to whom 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:

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

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

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

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

D. The Tax Commission may require any retailer or vendor that does not collect use tax, and that makes total Oklahoma sales of more than One Hundred Thousand Dollars (\$100,000.00) in a year, to electronically file the annual statement required in subsection C of this section.

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

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

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

Presiding Officer of the Senate

Passed the House of Representatives the 18th day of April, 2018.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____