STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2316       By: Hilbert

COMMITTEE SUBSTITUTE
[ revenue and taxation – sales tax – occasional sales
- effective date -

emergency ]

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

SECTION 1. AMENDATORY 68 O.S. 2021, Section 1352, is amended to read as follows:

Section 1352. Definitions.

As used in the Oklahoma Sales Tax Code:

1. "Bundled transaction" means the retail sale of two or more products, except real property and services to real property, where the products are otherwise distinct and identifiable, and the products are sold for one nonitemized price. A "bundled transaction" does not include the sale of any products in which the sales price varies, or is negotiable, based on the selection by the
purchaser of the products included in the transaction. As used in this paragraph:

a. "distinct and identifiable products" does not include:
   
   (1) packaging such as containers, boxes, sacks, bags, and bottles, or other materials such as wrapping, labels, tags, and instruction guides, that accompany the retail sale of the products and are incidental or immaterial to the retail sale thereof, including but not limited to, grocery sacks, shoeboxes, dry cleaning garment bags and express delivery envelopes and boxes,
   
   (2) a product provided free of charge with the required purchase of another product. A product is provided free of charge if the sales price of the product purchased does not vary depending on the inclusion of the product provided free of charge, or
   
   (3) items included in the definition of gross receipts or sales price, pursuant to this section,

b. "one nonitemized price" does not include a price that is separately identified by product on binding sales or other supporting sales-related documentation made available to the customer in paper or electronic form
including, but not limited to an invoice, bill of
sale, receipt, contract, service agreement, lease
agreement, periodic notice of rates and services, rate
card, or price list,

A transaction that otherwise meets the definition of a bundled transaction shall not be considered a bundled transaction if it is:

(1) the retail sale of tangible personal property and a service where the tangible personal property is essential to the use of the service, and is provided exclusively in connection with the service, and the true object of the transaction is the service,

(2) the retail sale of services where one service is provided that is essential to the use or receipt of a second service and the first service is provided exclusively in connection with the second service and the true object of the transaction is the second service,

(3) a transaction that includes taxable products and nontaxable products and the purchase price or sales price of the taxable products is de minimis. For purposes of this subdivision, "de minimis" means the seller's purchase price or sales price of taxable products is ten percent
(10%) or less of the total purchase price or sales price of the bundled products. Sellers shall use either the purchase price or the sales price of the products to determine if the taxable products are de minimis. Sellers may not use a combination of the purchase price and sales price of the products to determine if the taxable products are de minimis. Sellers shall use the full term of a service contract to determine if the taxable products are de minimis, or

(4) the retail sale of exempt tangible personal property and taxable tangible personal property where:

(a) the transaction includes food and food ingredients, drugs, durable medical equipment, mobility enhancing equipment, over-the-counter drugs, prosthetic devices or medical supplies, and

(b) the seller's purchase price or sales price of the taxable tangible personal property is fifty percent (50%) or less of the total purchase price or sales price of the bundled tangible personal property. Sellers may not use a combination of the purchase price and
sales price of the tangible personal
property when making the fifty percent (50%)
determination for a transaction;

2. "Business" means any activity engaged in or caused to be
engaged in by any person with the object of gain, benefit, or
advantage, either direct or indirect;

3. "Commission" or "Tax Commission" means the Oklahoma Tax
Commission;

4. "Computer" means an electronic device that accepts
information in digital or similar form and manipulates it for a
result based on a sequence of instructions;

5. "Computer software" means a set of coded instructions
designed to cause a "computer" or automatic data processing
equipment to perform a task;

6. "Consumer" or "user" means a person to whom a taxable sale
of tangible personal property is made or to whom a taxable service
is furnished. "Consumer" or "user" includes all contractors to whom
a taxable sale of materials, supplies, equipment, or other tangible
personal property is made or to whom a taxable service is furnished
to be used or consumed in the performance of any contract;

7. "Contractor" means any person who performs any improvement
upon real property and who, as a necessary and incidental part of
performing such improvement, incorporates tangible personal property
belonging to or purchased by the person into the real property being
improved;

8. "Drug" means a compound, substance or preparation, and any
component of a compound, substance or preparation:
   a. recognized in the official United States
      Pharmacopoeia, official Homeopathic Pharmacopoeia of
      the United States, or official National Formulary, and
      supplement to any of them,
   b. intended for use in the diagnosis, cure, mitigation,
      treatment, or prevention of disease, or
   c. intended to affect the structure or any function of
      the body;

9. "Electronic" means relating to technology having electrical,
digital, magnetic, wireless, optical, electromagnetic, or similar
capabilities;

10. "Established place of business" means the location at which
    any person regularly engages in, conducts, or operates a business in
    a continuous manner for any length of time, that is open to the
    public during the hours customary to such business, in which a stock
    of merchandise for resale is maintained, and which is not exempted
    by law from attachment, execution, or other species of forced sale
    barring any satisfaction of any delinquent tax liability accrued
    under the Oklahoma Sales Tax Code;

11. "Fair authority" means:
1. any county, municipality, school district, public
   trust or any other political subdivision of this
   state, or
2. any not-for-profit corporation acting pursuant to an
   agency, operating or management agreement which has
   been approved or authorized by the governing body of
   any of the entities specified in subparagraph a of
   this paragraph which conduct, operate or produce a
   fair commonly understood to be a county, district or
   state fair;
12. a. "Gross receipts", "gross proceeds" or "sales price"
   means the total amount of consideration, including
   cash, credit, property and services, for which
   personal property or services are sold, leased or
   rented, valued in money, whether received in money or
   otherwise, without any deduction for the following:
   (1) the seller's cost of the property sold,
   (2) the cost of materials used, labor or service
       cost,
   (3) interest, losses, all costs of transportation to
       the seller, all taxes imposed on the seller, and
       any other expense of the seller,
b. Such term shall not include:

(1) discounts, including cash, term, or coupons that are not reimbursed by a third party that are allowed by a seller and taken by a purchaser on a sale,

(2) interest, financing, and carrying charges from credit extended on the sale of personal property or services, if the amount is separately stated on the invoice, bill of sale or similar document given to the purchaser, and

(3) any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale or similar document given to the purchaser.

c. Such term shall include consideration received by the seller from third parties if:
(1) the seller actually receives consideration from a party other than the purchaser and the consideration is directly related to a price reduction or discount on the sale,

(2) the seller has an obligation to pass the price reduction or discount through to the purchaser,

(3) the amount of the consideration attributable to the sale is fixed and determinable by the seller at the time of the sale of the item to the purchaser, and

(4) one of the following criteria is met:

   (a) the purchaser presents a coupon, certificate or other documentation to the seller to claim a price reduction or discount where the coupon, certificate or documentation is authorized, distributed or granted by a third party with the understanding that the third party will reimburse any seller to whom the coupon, certificate or documentation is presented,

   (b) the purchaser identifies himself or herself to the seller as a member of a group or organization entitled to a price reduction or discount; provided, a "preferred
customer" card that is available to any patron does not constitute membership in such a group, or

(c) the price reduction or discount is identified as a third-party price reduction or discount on the invoice received by the purchaser or on a coupon, certificate or other documentation presented by the purchaser;

13. a. "Maintaining a place of business in this state" means and shall be presumed to include:

(1) (a) utilizing or maintaining in this state, directly or by subsidiary, an office, distribution house, sales house, warehouse, or other physical place of business, whether owned or operated by the vendor or any other person, other than a common carrier acting in its capacity as such, or

(b) having agents operating in this state, whether the place of business or agent is within this state temporarily or permanently or whether the person or agent is authorized to do business within this state, and
the presence of any person, other than a common

 carrier acting in its capacity as such, that has

 substantial nexus in this state and that:

 (a) sells a similar line of products as the
   vendor and does so under the same or a
   similar business name,

 (b) uses trademarks, service marks or trade
   names in this state that are the same or
   substantially similar to those used by the
   vendor,

 (c) delivers, installs, assembles or performs
     maintenance services for the vendor,

 (d) facilitates the vendor's delivery of
     property to customers in the state by
     allowing the vendor's customers to pick up
     property sold by the vendor at an office,
     distribution facility, warehouse, storage
     place or similar place of business
     maintained by the person in this state, or

 (e) conducts any other activities in this state
     that are significantly associated with the
     vendor's ability to establish and maintain a
     market in this state for the vendor's sale.
b. The presumptions in divisions (1) and (2) of subparagraph a of this paragraph may be rebutted by demonstrating that the person's activities in this state are not significantly associated with the vendor's ability to establish and maintain a market in this state for the vendor's sales.

c. Any ruling, agreement or contract, whether written or oral, express or implied, between a person and executive branch of this state, or any other state agency or department, stating, agreeing or ruling that the person is not "maintaining a place of business in this state" or is not required to collect sales and use tax in this state despite the presence of a warehouse, distribution center or fulfillment center in this state that is owned or operated by the vendor or an affiliated person of the vendor shall be null and void unless it is specifically approved by a majority vote of each house of the Oklahoma Legislature;

14. "Manufacturing" means and includes the activity of converting or conditioning tangible personal property by changing the form, composition, or quality of character of some existing material or materials, including natural resources, by procedures commonly regarded by the average person as manufacturing,
compounding, processing or assembling, into a material or materials with a different form or use. "Manufacturing" does not include extractive industrial activities such as mining, quarrying, logging, and drilling for oil, gas and water, nor oil and gas field processes, such as natural pressure reduction, mechanical separation, heating, cooling, dehydration and compression;

15. "Manufacturing operation" means the designing, manufacturing, compounding, processing, assembling, warehousing, or preparing of articles for sale as tangible personal property. A manufacturing operation begins at the point where the materials enter the manufacturing site and ends at the point where a finished product leaves the manufacturing site. "Manufacturing operation" does not include administration, sales, distribution, transportation, site construction, or site maintenance. Extractive activities and field processes shall not be deemed to be a part of a manufacturing operation even when performed by a person otherwise engaged in manufacturing;

16. "Manufacturing site" means a location where a manufacturing operation is conducted, including a location consisting of one or more buildings or structures in an area owned, leased, or controlled by a manufacturer;

17. "Occasional sale" means:
   a. an isolated sale or series of sales by a person who does not habitually engage, or hold himself out as
engaging, in the business of selling the same or
similar items at retail,

b. the sale of the entire operating assets of a business
or of a separate division, branch, or identifiable
segment of a business,

c. the sale of tangible personal property by an
individual if:

(1) the property was originally bought by the
individual or a member of the individual's family
for the personal use of the individual or the
individual's family,

(2) the individual does not hold a permit issued
under this code and is not required to obtain a
permit as a "seller" or "retailer" as those terms
are defined by law,

(3) the individual does not employ an auctioneer,
broker, or factor, other than an online auction,
to sell the property, and

(4) the total receipts from sales of the individual's
tangible personal property in a calendar year do
not exceed Three Thousand Dollars ($3,000.00),

d. within the meaning of subparagraph b of this
paragraph, separate division, branch, or identifiable
segment of a business exists if before its sale the
income and expenses attributable to the separate division, branch, or segment could be separately ascertained from the books of account or record,

e. this section does not apply to:

(1) a rental or lease of a taxable item,

(2) sales of taxable items held on consignment,

(3) sales made, supervised or aided by an auctioneer, or agent or employee of an auctioneer,

(4) the sale of motor vehicles, and

f. "Series of sales" means any multiple sales of tangible personal property, for a limited duration not to exceed thirty (30) consecutive days. Each individual sale of the multiple sales shall meet the definition of occasional sale as provided in this subsection.

18. "Over-the-counter drug" means a drug that contains a label that identifies the product as a drug as required by 21 C.F.R., Section 201.66. The over-the-counter-drug label includes:

a. a "Drug Facts" panel, or

b. a statement of the "active ingredient(s)" with a list of those ingredients contained in the compound, substance or preparation;

19. "Person" means any individual, company, partnership, joint venture, joint agreement, association, mutual or otherwise, limited liability company, corporation, estate, trust, business
trust, receiver or trustee appointed by any state or federal court
or otherwise, syndicate, this state, any county, city, municipality,
school district, any other political subdivision of the state, or
any group or combination acting as a unit, in the plural or singular
number;

19. 20. "Prescription" means an order, formula or recipe issued
in any form of oral, written, electronic, or other means of
transmission by a duly licensed "practitioner" as defined in Section
1357.6 of this title;

20. 21. "Prewritten computer software" means "computer
software", including prewritten upgrades, which is not designed and
developed by the author or other creator to the specifications of a
specific purchaser. The combining of two or more prewritten
computer software programs or prewritten portions thereof does not
cause the combination to be other than prewritten computer software.
Prewritten software includes software designed and developed by the
author or other creator to the specifications of a specific
purchaser when it is sold to a person other than the purchaser.
Where a person modifies or enhances computer software of which the
person is not the author or creator, the person shall be deemed to
be the author or creator only of such person's modifications or
enhancements. Prewritten software or a prewritten portion thereof
that is modified or enhanced to any degree, where such modification
or enhancement is designed and developed to the specifications of a
specific purchaser, remains prewritten software; provided, however, that where there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for such modification or enhancement, such modification or enhancement shall not constitute prewritten computer software;

21. "Repairman" means any person who performs any repair service upon tangible personal property of the consumer, whether or not the repairman, as a necessary and incidental part of performing the service, incorporates tangible personal property belonging to or purchased by the repairman into the tangible personal property being repaired;

22. "Sale" means the transfer of either title or possession of tangible personal property for a valuable consideration regardless of the manner, method, instrumentality, or device by which the transfer is accomplished in this state, or other transactions as provided by this paragraph, including but not limited to:

a. the exchange, barter, lease, or rental of tangible personal property resulting in the transfer of the title to or possession of the property,

b. the disposition for consumption or use in any business or by any person of all goods, wares, merchandise, or property which has been purchased for resale, manufacturing, or further processing,
c. the sale, gift, exchange, or other disposition of admission, dues, or fees to clubs, places of amusement, or recreational or athletic events or for the privilege of having access to or the use of amusement, recreational, athletic or entertainment facilities,

d. the furnishing or rendering of services taxable under the Oklahoma Sales Tax Code, and

e. any use of motor fuel or diesel fuel by a supplier, as defined in Section 500.3 of this title, upon which sales tax has not previously been paid, for purposes other than to propel motor vehicles over the public highways of this state. Motor fuel or diesel fuel purchased outside the state and used for purposes other than to propel motor vehicles over the public highways of this state shall not constitute a sale within the meaning of this paragraph;

23. 24. "Sale for resale" means:

a. a sale of tangible personal property to any purchaser who is purchasing tangible personal property for the purpose of reselling it within the geographical limits of the United States of America or its territories or possessions, in the normal course of business either in the form or condition in which it is purchased or
as an attachment to or integral part of other tangible personal property,

b. a sale of tangible personal property to a purchaser for the sole purpose of the renting or leasing, within the geographical limits of the United States of America or its territories or possessions, of the tangible personal property to another person by the purchaser, but not if incidental to the renting or leasing of real estate,

c. a sale of tangible goods and products within this state if, simultaneously with the sale, the vendor issues an export bill of lading, or other documentation that the point of delivery of such goods for use and consumption is in a foreign country and not within the territorial confines of the United States. If the vendor is not in the business of shipping the tangible goods and products that are purchased from the vendor, the buyer or purchaser of the tangible goods and products is responsible for providing an export bill of lading or other documentation to the vendor from whom the tangible goods and products were purchased showing that the point of delivery of such goods for use and
consumption is a foreign country and not within the
territorial confines of the United States, or
d. a sales of any carrier access services, right of
access services, telecommunications services to be
resold, or telecommunications used in the subsequent
provision of, use as a component part of, or
integrated into, end-to-end telecommunications
service;

24. 25. "Tangible personal property" means personal property
that can be seen, weighed, measured, felt, or touched or that is in
any other manner perceptible to the senses. "Tangible personal
property" includes electricity, water, gas, steam and prewritten
computer software. This definition shall be applicable only for
purposes of the Oklahoma Sales Tax Code;

25. 26. "Taxpayer" means any person liable to pay a tax imposed
by the Oklahoma Sales Tax Code;

26. 27. "Tax period" or "taxable period" means the calendar
period or the taxpayer's fiscal period for which a taxpayer has
obtained a permit from the Tax Commission to use a fiscal period in
lieu of a calendar period;

27. 28. "Tax remitter" means any person required to collect,
report, or remit the tax imposed by the Oklahoma Sales Tax Code. A
tax remitter who fails, for any reason, to collect, report, or remit
the tax shall be considered a taxpayer for purposes of assessment,
collection, and enforcement of the tax imposed by the Oklahoma Sales
Tax Code; and

28. 29. "Vendor" means:

a. any person making sales of tangible personal property
or services in this state, the gross receipts or gross
proceeds from which are taxed by the Oklahoma Sales
Tax Code,

b. any person maintaining a place of business in this
state and making sales of tangible personal property
or services, whether at the place of business or
elsewhere, to persons within this state, the gross
receipts or gross proceeds from which are taxed by the
Oklahoma Sales Tax Code,

c. any person who solicits business by employees,
independent contractors, agents, or other
representatives in this state, and thereby makes sales
to persons within this state of tangible personal
property or services, the gross receipts or gross
proceeds from which are taxed by the Oklahoma Sales
Tax Code, or

d. any person, pursuant to an agreement with the person
with an ownership interest in or title to tangible
personal property, who has been entrusted with the
possession of any such property and has the power to
designate who is to obtain title, to physically
transfer possession of, or otherwise make sales of the
property.

SECTION 2. AMENDATORY 68 O.S. 2021, Section 1356, as
last amended by Section 1, Chapter 394, O.S.L. 2022 (68 O.S. Supp.
2022, Section 1356), is amended to read as follows:

Section 1356. Exemptions - Governmental and nonprofit entities.
There are hereby specifically exempted from the tax levied by
Section 1350 et seq. of this title:

1. Sale of tangible personal property or services to the United
States government or to the State of Oklahoma, any political
subdivision of this state or any agency of a political subdivision
of this state; provided, all sales to contractors in connection with
the performance of any contract with the United States government,
State of Oklahoma or any of its political subdivisions shall not be
exempted from the tax levied by Section 1350 et seq. of this title,
except as hereinafter provided;

2. Sales of property to agents appointed by or under contract
with agencies or instrumentalities of the United States government
if ownership and possession of such property transfers immediately
to the United States government;

3. Sales of property to agents appointed by or under contract
with a political subdivision of this state if the sale of such
property is associated with the development of a qualified federal
facility, as provided in the Oklahoma Federal Facilities Development Act, and if ownership and possession of such property transfers immediately to the political subdivision or the state;

4. Sales made directly by county, district or state fair authorities of this state, upon the premises of the fair authority, for the sole benefit of the fair authority or sales of admission tickets to such fairs or fair events at any location in the state authorized by county, district or state fair authorities; provided, the exemption provided by this paragraph for admission tickets to fair events shall apply only to any portion of the admission price that is retained by or distributed to the fair authority. As used in this paragraph, "fair event" shall be limited to an event held on the premises of the fair authority in conjunction with and during the time period of a county, district or state fair;

5. Sale of food in cafeterias or lunchrooms of elementary schools, high schools, colleges or universities which are operated primarily for teachers and pupils and are not operated primarily for the public or for profit;

6. Dues paid to fraternal, religious, civic, charitable or educational societies or organizations by regular members thereof, provided, such societies or organizations operate under what is commonly termed the lodge plan or system, and provided such societies or organizations do not operate for a profit which inures to the benefit of any individual member or members thereof to the
exclusion of other members and dues paid monthly or annually to
privately owned scientific and educational libraries by members
sharing the use of services rendered by such libraries with students
interested in the study of geology, petroleum engineering or related
subjects;

7. Sale of tangible personal property or services to or by
churches, except sales made in the course of business for profit or
savings, competing with other persons engaged in the same or a
similar business or sale of tangible personal property or services
by an organization exempt from federal income tax pursuant to
Section 501(c)(3) of the Internal Revenue Code of 1986, as amended,
made on behalf of or at the request of a church or churches if the
sale of such property is conducted not more than once each calendar
year for a period not to exceed three (3) days by the organization
and proceeds from the sale of such property are used by the church
or churches or by the organization for charitable purposes;

8. The amount of proceeds received from the sale of admission
tickets which is separately stated on the ticket of admission for
the repayment of money borrowed by any accredited state-supported
college or university or any public trust of which a county in this
state is the beneficiary, for the purpose of constructing or
enlarging any facility to be used for the staging of an athletic
event, a theatrical production, or any other form of entertainment,
edification or cultural cultivation to which entry is gained with a
paid admission ticket. Such facilities include, but are not limited to, athletic fields, athletic stadiums, field houses, amphitheaters and theaters. To be eligible for this sales tax exemption, the amount separately stated on the admission ticket shall be a surcharge which is imposed, collected and used for the sole purpose of servicing or aiding in the servicing of debt incurred by the college or university to effect the capital improvements hereinbefore described;

9. Sales of tangible personal property or services to the council organizations or similar state supervisory organizations of the Boy Scouts of America, Girl Scouts of U.S.A. and Camp Fire USA;

10. Sale of tangible personal property or services to any county, municipality, rural water district, public school district, city-county library system, the institutions of The Oklahoma State System of Higher Education, the Grand River Dam Authority, the Northeast Oklahoma Public Facilities Authority, the Oklahoma Municipal Power Authority, City of Tulsa-Rogers County Port Authority, Muskogee City-County Port Authority, the Oklahoma Department of Veterans Affairs, the Broken Bow Economic Development Authority, Ardmore Development Authority, Durant Industrial Authority, Oklahoma Ordnance Works Authority, Central Oklahoma Master Conservancy District, Arbuckle Master Conservancy District, Fort Cobb Master Conservancy District, Foss Reservoir Master Conservancy District, Mountain Park Master Conservancy District,
Waurika Lake Master Conservancy District and the Office of Management and Enterprise Services only when carrying out a public construction contract on behalf of the Oklahoma Department of Veterans Affairs, and effective July 1, 2022, the University Hospitals Trust, or to any person with whom any of the above-named subdivisions or agencies of this state has duly entered into a public contract pursuant to law, necessary for carrying out such public contract or to any subcontractor to such a public contract.

Any person making purchases on behalf of such subdivision or agency of this state shall certify, in writing, on the copy of the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such subdivision or agency of this state and set out the name of such public subdivision or agency. Any person who wrongfully or erroneously certifies that purchases are for any of the above-named subdivisions or agencies of this state or who otherwise violates this section shall be guilty of a misdemeanor and upon conviction thereof shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days or both;

11. Sales of tangible personal property or services to private institutions of higher education and private elementary and secondary institutions of education accredited by the State Department of Education or registered by the State Board of Education for purposes of participating in federal programs or
accredited as defined by the Oklahoma State Regents for Higher Education which are exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) including materials, supplies and equipment used in the construction and improvement of buildings and other structures owned by the institutions and operated for educational purposes.

Any person, firm, agency or entity making purchases on behalf of any institution, agency or subdivision in this state, shall certify in writing, on the copy of the invoice or sales ticket the nature of the purchases, and violation of this paragraph shall be a misdemeanor as set forth in paragraph 10 of this section;

12. Tuition and educational fees paid to private institutions of higher education and private elementary and secondary institutions of education accredited by the State Department of Education or registered by the State Board of Education for purposes of participating in federal programs or accredited as defined by the Oklahoma State Regents for Higher Education which are exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3);

13. a. Sales of tangible personal property made by:

(1) a public school,

(2) a private school offering instruction for grade levels kindergarten through twelfth grade,

(3) a public school district,
(4) a public or private school board,

(5) a public or private school student group or organization,

(6) a parent-teacher association or organization other than as specified in subparagraph b of this paragraph, or

(7) public or private school personnel for purposes of raising funds for the benefit of a public or private school, public school district, public or private school board or public or private school student group or organization, or

b. Sales of tangible personal property made by or to nonprofit parent-teacher associations or organizations exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), nonprofit local public or private school foundations which solicit money or property in the name of any public or private school or public school district.

The exemption provided by this paragraph for sales made by a public or private school shall be limited to those public or private schools accredited by the State Department of Education or registered by the State Board of Education for purposes of participating in federal programs. Sale of tangible personal
property in this paragraph shall include sale of admission tickets and concessions at athletic events;

14. Sales of tangible personal property by:
   a. local 4-H clubs,
   b. county, regional or state 4-H councils,
   c. county, regional or state 4-H committees,
   d. 4-H leader associations,
   e. county, regional or state 4-H foundations, and
   f. authorized 4-H camps and training centers.

The exemption provided by this paragraph shall be limited to sales for the purpose of raising funds for the benefit of such organizations. Sale of tangible personal property exempted by this paragraph shall include sale of admission tickets;

15. The first Seventy-five Thousand Dollars ($75,000.00) each year from sale of tickets and concessions at athletic events by each organization exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(4);

16. Sales of tangible personal property or services to any person with whom the Oklahoma Tourism and Recreation Department has entered into a public contract and which is necessary for carrying out such contract to assist the Department in the development and production of advertising, promotion, publicity and public relations programs;
17. Sales of tangible personal property or services to fire departments organized pursuant to Section 592 of Title 18 of the Oklahoma Statutes which items are to be used for the purposes of the fire department. Any person making purchases on behalf of any such fire department shall certify, in writing, on the copy of the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such fire department and set out the name of such fire department. Any person who wrongfully or erroneously certifies that the purchases are for any such fire department or who otherwise violates the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof, shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days, or both;

18. Complimentary or free tickets for admission to places of amusement, sports, entertainment, exhibition, display or other recreational events or activities which are issued through a box office or other entity which is operated by a state institution of higher education with institutional employees or by a municipality with municipal employees;

19. The first Fifteen Thousand Dollars ($15,000.00) each year from sales of tangible personal property by fire departments organized pursuant to Titles 11, 18, or 19 of the Oklahoma Statutes for the purposes of raising funds for the benefit of the fire department. Fire departments selling tangible personal property for
the purposes of raising funds shall be limited to no more than six
(6) days each year to raise such funds in order to receive the
exemption granted by this paragraph;

20. Sales of tangible personal property or services to any Boys
& Girls Clubs of America affiliate in this state which is not
affiliated with the Salvation Army and which is exempt from taxation
pursuant to the provisions of the Internal Revenue Code, 26 U.S.C.,
Section 501(c)(3);

21. Sales of tangible personal property or services to any
organization, which takes court-adjudicated juveniles for purposes
of rehabilitation, and which is exempt from taxation pursuant to the
provisions of the Internal Revenue Code, 26 U.S.C., Section
501(c)(3), provided that at least fifty percent (50%) of the
juveniles served by such organization are court adjudicated and the
organization receives state funds in an amount less than ten percent
(10%) of the annual budget of the organization;

22. Sales of tangible personal property or services to:
   a. any health center as defined in Section 254b of Title
      42 of the United States Code,
   b. any clinic receiving disbursements of state monies
      from the Indigent Health Care Revolving Fund pursuant
to the provisions of Section 66 of Title 56 of the
      Oklahoma Statutes,
c. any community-based health center which meets all of the following criteria:
   (1) provides primary care services at no cost to the recipient, and
   (2) is exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and

d. any community mental health center as defined in Section 3-302 of Title 43A of the Oklahoma Statutes;

23. Dues or fees including free or complimentary dues or fees which have a value equivalent to the charge that could have otherwise been made, to YMCAs, YWCAs or municipally-owned recreation centers for the use of facilities and programs;

24. The first Fifteen Thousand Dollars ($15,000.00) each year from sales of tangible personal property or services to or by a cultural organization established to sponsor and promote educational, charitable and cultural events for disadvantaged children, and which organization is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3);

25. Sales of tangible personal property or services to museums or other entities which have been accredited by the American Association of Museums. Any person making purchases on behalf of any such museum or other entity shall certify, in writing, on the
copy of the invoice or sales ticket to be retained by the vendor
that the purchases are made for and on behalf of such museum or
other entity and set out the name of such museum or other entity.
Any person who wrongfully or erroneously certifies that the
purchases are for any such museum or other entity or who otherwise
violates the provisions of this paragraph shall be deemed guilty of
a misdemeanor and, upon conviction thereof, shall be fined an amount
equal to double the amount of sales tax involved or incarcerated for
not more than sixty (60) days, or by both such fine and
incarceration;

26. Sales of tickets for admission by any museum accredited by
the American Association of Museums. In order to be eligible for
the exemption provided by this paragraph, an amount equivalent to
the amount of the tax which would otherwise be required to be
collected pursuant to the provisions of Section 1350 et seq. of this
title shall be separately stated on the admission ticket and shall
be collected and used for the sole purpose of servicing or aiding in
the servicing of debt incurred by the museum to effect the
construction, enlarging or renovation of any facility to be used for
entertainment, edification or cultural cultivation to which entry is
gained with a paid admission ticket;

27. Sales of tangible personal property or services occurring
on or after June 1, 1995, to children's homes which are supported or
sponsored by one or more churches, members of which serve as
trustees of the home;

28. Sales of tangible personal property or services to the
organization known as the Disabled American Veterans, Department of
Oklahoma, Inc., and subordinate chapters thereof;

29. Sales of tangible personal property or services to youth
camps which are supported or sponsored by one or more churches,
members of which serve as trustees of the organization;

30. a. Until July 1, 2022, transfer of tangible personal
property made pursuant to Section 3226 of Title 63 of
the Oklahoma Statutes by the University Hospitals
Trust, and

b. Effective July 1, 2022, transfer of tangible personal
property or services to or by:

(1) the University Hospitals Trust created pursuant
to Section 3224 of Title 63 of the Oklahoma
Statutes, or

(2) nonprofit entities which are exempt from taxation
pursuant to the provisions of the Internal
Revenue Code of the United States, 26 U.S.C.,
Section 501(c)(3), which have entered into a
joint operating agreement with the University
Hospitals Trust;
31. Sales of tangible personal property or services to a municipality, county or school district pursuant to a lease or lease-purchase agreement executed between the vendor and a municipality, county or school district. A copy of the lease or lease-purchase agreement shall be retained by the vendor;

32. Sales of tangible personal property or services to any spaceport user, as defined in the Oklahoma Space Industry Development Act;

33. The sale, use, storage, consumption or distribution in this state, whether by the importer, exporter or another person, of any satellite or any associated launch vehicle including components of, and parts and motors for, any such satellite or launch vehicle, imported or caused to be imported into this state for the purpose of export by means of launching into space. This exemption provided by this paragraph shall not be affected by:

   a. the destruction in whole or in part of the satellite or launch vehicle,

   b. the failure of a launch to occur or be successful, or

   c. the absence of any transfer or title to, or possession of, the satellite or launch vehicle after launch;

34. The sale, lease, use, storage, consumption or distribution in this state of any space facility, space propulsion system or space vehicle, satellite or station of any kind possessing space flight capacity including components thereof;
35. The sale, lease, use, storage, consumption or distribution in this state of tangible personal property, placed on or used aboard any space facility, space propulsion system or space vehicle, satellite, or station possessing space flight capacity, which is launched into space, irrespective of whether such tangible property is returned to this state for subsequent use, storage, or consumption in any manner;

36. The sale, lease, use, storage, consumption or distribution in this state of tangible personal property meeting the definition of "section 38 property" as defined in Sections 48(a)(1)(A) and (B)(i) of the Internal Revenue Code of 1986, that is an integral part of and used primarily in support of space flight; however, section 38 property used in support of space flight shall not include general office equipment, any boat, mobile home, motor vehicle or other vehicle of a class or type required to be registered, licensed, titled or documented in this state or by the United States government, or any other property not specifically suited to supporting space activity. The term "in support of space flight", for purposes of this paragraph, means the altering, monitoring, controlling, regulating, adjusting, servicing or repairing of any space facility, space propulsion systems or space vehicle, satellite or station possessing space flight capacity including the components thereof;
37. The purchase or lease of machinery and equipment for use at a fixed location in this state, which is used exclusively in the manufacturing, processing, compounding or producing of any space facility, space propulsion system or space vehicle, satellite or station of any kind possessing space flight capacity. Provided, the exemption provided for in this paragraph shall not be allowed unless the purchaser or lessee signs an affidavit stating that the item or items to be exempted are for the exclusive use designated herein. Any person furnishing a false affidavit to the vendor for the purpose of evading payment of any tax imposed by Section 1354 of this title shall be subject to the penalties provided by law. As used in this paragraph, "machinery and equipment" means "section 38 property" as defined in Sections 48(a)(1)(A) and (B)(i) of the Internal Revenue Code of 1986, which is used as an integral part of the manufacturing, processing, compounding or producing of items of tangible personal property. Such term includes parts and accessories only to the extent that the exemption thereof is consistent with the provisions of this paragraph;

38. The amount of a surcharge or any other amount which is separately stated on an admission ticket which is imposed, collected and used for the sole purpose of constructing, remodeling or enlarging facilities of a public trust having a municipality or county as its sole beneficiary;
39. Sales of tangible personal property or services which are directly used in or for the benefit of a state park in this state, which are made to an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and which is organized primarily for the purpose of supporting one or more state parks located in this state;

40. The sale, lease or use of parking privileges by an institution of The Oklahoma State System of Higher Education;

41. Sales of tangible personal property or services for use on campus or school construction projects for the benefit of institutions of The Oklahoma State System of Higher Education, private institutions of higher education accredited by the Oklahoma State Regents for Higher Education or any public school or school district when such projects are financed by or through the use of nonprofit entities which are exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3);

42. Sales of tangible personal property or services by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), in the course of conducting a national championship sports event, but only if all or a portion of the payment in exchange therefor would qualify as the receipt of a qualified sponsorship payment described in Internal Revenue Code, 26 U.S.C.,
Section 513(i). Sales exempted pursuant to this paragraph shall be exempt from all Oklahoma sales, use, excise and gross receipts taxes;

43. Sales of tangible personal property or services to or by an organization which:
   a. is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3),
   b. is affiliated with a comprehensive university within The Oklahoma State System of Higher Education, and
   c. has been organized primarily for the purpose of providing education and teacher training and conducting events relating to robotics;

44. The first Fifteen Thousand Dollars ($15,000.00) each year from sales of tangible personal property to or by youth athletic teams which are part of an athletic organization exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(4), for the purposes of raising funds for the benefit of the team;

45. Sales of tickets for admission to a collegiate athletic event that is held in a facility owned or operated by a municipality or a public trust of which the municipality is the sole beneficiary and that actually determines or is part of a tournament or
tournaments for determining a conference tournament
championship, a conference championship, or a national championship;

46. Sales of tangible personal property or services to or by an
organization which is exempt from taxation pursuant to the
provisions of the Internal Revenue Code, 26 U.S.C., Section
501(c)(3) and is operating the Oklahoma City National Memorial and
Museum, an affiliate of the National Park System;

47. Sales of tangible personal property or services to
organizations which are exempt from federal taxation pursuant to the
provisions of Section 501(c)(3) of the Internal Revenue Code, 26
U.S.C., Section 501(c)(3), the memberships of which are limited to
honorable discharged veterans, and which furnish financial support
to area veterans' organizations to be used for the purpose of
constructing a memorial or museum;

48. Sales of tangible personal property or services on or after
January 1, 2003, to an organization which is exempt from taxation
pursuant to the provisions of the Internal Revenue Code, 26 U.S.C.,
Section 501(c)(3) that is expending monies received from a private
foundation grant in conjunction with expenditures of local sales tax
revenue to construct a local public library;

49. Sales of tangible personal property or services to a state
that borders this state or any political subdivision of that state,
but only to the extent that the other state or political subdivision
exempts or does not impose a tax on similar sales of items to this state or a political subdivision of this state;

50. Effective July 1, 2005, sales of tangible personal property or services to the Career Technology Student Organizations under the direction and supervision of the Oklahoma Department of Career and Technology Education;

51. Sales of tangible personal property to a public trust having either a single city, town or county or multiple cities, towns or counties or combination thereof as beneficiary or beneficiaries or a nonprofit organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) for the purpose of constructing improvements to or expanding a hospital or nursing home owned and operated by any such public trust or nonprofit entity prior to July 1, 2008, in counties with a population of less than one hundred thousand (100,000) persons, according to the most recent Federal Decennial Census. As used in this paragraph, "constructing improvements to or expanding" shall not mean any expense for routine maintenance or general repairs and shall require a project cost of at least One Hundred Thousand Dollars ($100,000.00). For purposes of this paragraph, sales made to a contractor or subcontractor that enters into a contractual relationship with a public trust or nonprofit entity as described by this paragraph shall be considered sales made to the public trust or nonprofit entity. The exemption
authorized by this paragraph shall be administered in the form of a
refund from the sales tax revenues apportioned pursuant to Section
1353 of this title and the vendor shall be required to collect the
sales tax otherwise applicable to the transaction. The purchaser
may apply for a refund of the sales tax paid in the manner
prescribed by this paragraph. Within thirty (30) days after the end
of each fiscal year, any purchaser that is entitled to make
application for a refund based upon the exempt treatment authorized
by this paragraph may file an application for refund of the sales
taxes paid during such preceding fiscal year. The Tax Commission
shall prescribe a form for purposes of making the application for
refund. The Tax Commission shall determine whether or not the total
amount of sales tax exemptions claimed by all purchasers is equal to
or less than Six Hundred Fifty Thousand Dollars ($650,000.00). If
such claims are less than or equal to that amount, the Tax
Commission shall make refunds to the purchasers in the full amount
of the documented and verified sales tax amounts. If such claims by
all purchasers are in excess of Six Hundred Fifty Thousand Dollars
($650,000.00), the Tax Commission shall determine the amount of each
purchaser's claim, the total amount of all claims by all purchasers,
and the percentage each purchaser's claim amount bears to the total.
The resulting percentage determined for each purchaser shall be
multiplied by Six Hundred Fifty Thousand Dollars ($650,000.00) to
determine the amount of refundable sales tax to be paid to each

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purchaser. The pro rata refund amount shall be the only method to
recover sales taxes paid during the preceding fiscal year and no
balance of any sales taxes paid on a pro rata basis shall be the
subject of any subsequent refund claim pursuant to this paragraph;
52. Effective July 1, 2006, sales of tangible personal property
or services to any organization which assists, trains, educates, and
provides housing for physically and mentally handicapped persons and
which is exempt from taxation pursuant to the provisions of the
Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and that
receives at least eighty-five percent (85%) of its annual budget
from state or federal funds. In order to receive the benefit of the
exemption authorized by this paragraph, the taxpayer shall be
required to make payment of the applicable sales tax at the time of
sale to the vendor in the manner otherwise required by law.
Notwithstanding any other provision of the Oklahoma Uniform Tax
Procedure Code to the contrary, the taxpayer shall be authorized to
file a claim for refund of sales taxes paid that qualify for the
exemption authorized by this paragraph for a period of one (1) year
after the date of the sale transaction. The taxpayer shall be
required to provide documentation as may be prescribed by the
Oklahoma Tax Commission in support of the refund claim. The total
amount of sales tax qualifying for exempt treatment pursuant to this
paragraph shall not exceed One Hundred Seventy-five Thousand Dollars
($175,000.00) each fiscal year. Claims for refund shall be
processed in the order in which such claims are received by the Oklahoma Tax Commission. If a claim otherwise timely filed exceeds the total amount of refunds payable for a fiscal year, such claim shall be barred;

53. The first Two Thousand Dollars ($2,000.00) each year of sales of tangible personal property or services to, by, or for the benefit of a qualified neighborhood watch organization that is endorsed or supported by or working directly with a law enforcement agency with jurisdiction in the area in which the neighborhood watch organization is located. As used in this paragraph, "qualified neighborhood watch organization" means an organization that is a not-for-profit corporation under the laws of the State of Oklahoma that was created to help prevent criminal activity in an area through community involvement and interaction with local law enforcement and which is one of the first two thousand organizations which makes application to the Oklahoma Tax Commission for the exemption after March 29, 2006;

54. Sales of tangible personal property to a nonprofit organization, exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), organized primarily for the purpose of providing services to homeless persons during the day and located in a metropolitan area with a population in excess of five hundred thousand (500,000) persons according to the latest Federal Decennial Census. The exemption authorized by
this paragraph shall be applicable to sales of tangible personal property to a qualified entity occurring on or after January 1, 2005;

55. Sales of tangible personal property or services to or by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) for events the principal purpose of which is to provide funding for the preservation of wetlands and habitat for wild ducks;

56. Sales of tangible personal property or services to or by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) for events the principal purpose of which is to provide funding for the preservation and conservation of wild turkeys;

57. Sales of tangible personal property or services to an organization which:

a. is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and

b. is part of a network of community-based, autonomous member organizations that meets the following criteria:

(1) serves people with workplace disadvantages and disabilities by providing job training and
employment services, as well as job placement opportunities and post-employment support,

(2) has locations in the United States and at least twenty other countries,

(3) collects donated clothing and household goods to sell in retail stores and provides contract labor services to business and government, and

(4) provides documentation to the Oklahoma Tax Commission that over seventy-five percent (75%) of its revenues are channeled into employment, job training and placement programs and other critical community services;

58. Sales of tickets made on or after September 21, 2005, and complimentary or free tickets for admission issued on or after September 21, 2005, which have a value equivalent to the charge that would have otherwise been made, for admission to a professional athletic event in which a team in the National Basketball Association is a participant, which is held in a facility owned or operated by a municipality, a county or a public trust of which a municipality or a county is the sole beneficiary, and sales of tickets made on or after July 1, 2007, and complimentary or free tickets for admission issued on or after July 1, 2007, which have a value equivalent to the charge that would have otherwise been made, for admission to a professional athletic event in which a team in
the National Hockey League is a participant, which is held in a facility owned or operated by a municipality, a county or a public trust of which a municipality or a county is the sole beneficiary;

59. Sales of tickets for admission and complimentary or free tickets for admission which have a value equivalent to the charge that would have otherwise been made to a professional sporting event involving ice hockey, baseball, basketball, football or arena football, or soccer. As used in this paragraph, "professional sporting event" means an organized athletic competition between teams that are members of an organized league or association with centralized management, other than a national league or national association, that imposes requirements for participation in the league upon the teams, the individual athletes or both, and which uses a salary structure to compensate the athletes;

60. Sales of tickets for admission to an annual event sponsored by an educational and charitable organization of women which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and has as its mission promoting volunteerism, developing the potential of women and improving the community through the effective action and leadership of trained volunteers;

61. Sales of tangible personal property or services to an organization, which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section
501(c)(3), and which is itself a member of an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), if the membership organization is primarily engaged in advancing the purposes of its member organizations through fundraising, public awareness or other efforts for the benefit of its member organizations, and if the member organization is primarily engaged either in providing educational services and programs concerning health-related diseases and conditions to individuals suffering from such health-related diseases and conditions or their caregivers and family members or support to such individuals, or in health-related research as to such diseases and conditions, or both. In order to qualify for the exemption authorized by this paragraph, the member nonprofit organization shall be required to provide proof to the Oklahoma Tax Commission of its membership status in the membership organization;

62. Sales of tangible personal property or services to or by an organization which is part of a national volunteer women's service organization dedicated to promoting patriotism, preserving American history and securing better education for children and which has at least 168,000 members in 3,000 chapters across the United States;

63. Sales of tangible personal property or services to or by a YWCA or YMCA organization which is part of a national nonprofit community service organization working to meet the health and social service needs of its members across the United States;
64. Sales of tangible personal property or services to or by a veteran's organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(19) and which is known as the Veterans of Foreign Wars of the United States, Oklahoma Chapters;

65. Sales of boxes of food by a church or by an organization, which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3). To qualify under the provisions of this paragraph, the organization must be organized for the primary purpose of feeding needy individuals or to encourage volunteer service by requiring such service in order to purchase food. These boxes shall only contain edible staple food items;

66. Sales of tangible personal property or services to any person with whom a church has duly entered into a construction contract, necessary for carrying out such contract or to any subcontractor to such a construction contract;

67. Sales of tangible personal property or services used exclusively for charitable or educational purposes, to or by an organization which:

a. is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3),
b. has filed a Not-for-Profit Certificate of Incorporation in this state, and

c. is organized for the purpose of:

(1) providing training and education to
developmentally disabled individuals,

(2) educating the community about the rights,
abilities and strengths of developmentally
disabled individuals, and

(3) promoting unity among developmentally disabled
individuals in their community and geographic
area;

68. Sales of tangible personal property or services to any
organization which is a shelter for abused, neglected, or abandoned
children and which is exempt from taxation pursuant to the
provisions of the Internal Revenue Code, 26 U.S.C., Section
501(c)(3); provided, until July 1, 2008, such exemption shall apply
only to eligible shelters for children from birth to age twelve (12)
and after July 1, 2008, such exemption shall apply to eligible
shelters for children from birth to age eighteen (18);

69. Sales of tangible personal property or services to a child
care center which is licensed pursuant to the Oklahoma Child Care
Facilities Licensing Act and which:
a. possesses a 3-star rating from the Department of Human Services Reaching for the Stars Program or a national accreditation, and

b. allows on-site universal prekindergarten education to be provided to four-year-old children through a contractual agreement with any public school or school district.

For the purposes of this paragraph, sales made to any person, firm, agency or entity that has entered previously into a contractual relationship with a child care center for construction and improvement of buildings and other structures owned by the child care center and operated for educational purposes shall be considered sales made to a child care center. Any such person, firm, agency or entity making purchases on behalf of a child care center shall certify, in writing, on the copy of the invoice or sales ticket the nature of the purchase. Any such person, or person acting on behalf of a firm, agency or entity making purchases on behalf of a child care center in violation of this paragraph shall be guilty of a misdemeanor and upon conviction thereof shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days or both;

70. a. Sales of tangible personal property to a service organization of mothers who have children who are serving or who have served in the military, which
service organization is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(19) and which is known as the Blue Star Mothers of America, Inc. The exemption provided by this paragraph shall only apply to the purchase of tangible personal property actually sent to United States military personnel overseas who are serving in a combat zone and not to any other tangible personal property purchased by the organization. Provided, this exemption shall not apply to any sales tax levied by a city, town, county, or any other jurisdiction in this state.

b. The exemption authorized by this paragraph shall be administered in the form of a refund from the sales tax revenues apportioned pursuant to Section 1353 of this title, and the vendor shall be required to collect the sales tax otherwise applicable to the transaction. The purchaser may apply for a refund of the state sales tax paid in the manner prescribed by this paragraph. Within sixty (60) days after the end of each calendar quarter, any purchaser that is entitled to make application for a refund based upon the exempt treatment authorized by this paragraph may file an application for refund of the state sales
taxes paid during such preceding calendar quarter. The Tax Commission shall prescribe a form for purposes of making the application for refund.

c. A purchaser who applies for a refund pursuant to this paragraph shall certify that the items were actually sent to military personnel overseas in a combat zone. Any purchaser that applies for a refund for the purchase of items that are not authorized for exemption under this paragraph shall be subject to a penalty in the amount of Five Hundred Dollars ($500.00);

71. Sales of food and snack items to or by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), whose primary and principal purpose is providing funding for scholarships in the medical field;

72. Sales of tangible personal property or services for use solely on construction projects for organizations which are exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and whose purpose is providing end-of-life care and access to hospice services to low-income individuals who live in a facility owned by the organization. The exemption provided by this paragraph applies to sales to the organization as well as to sales to any person with whom the
organization has duly entered into a construction contract, necessary for carrying out such contract or to any subcontractor to such a construction contract. Any person making purchases on behalf of such organization shall certify, in writing, on the copy of the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such organization and set out the name of such organization. Any person who wrongfully or erroneously certifies that purchases are for any of the above-named organizations or who otherwise violates this section shall be guilty of a misdemeanor and upon conviction thereof shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days or both;

73. Sales of tickets for admission to events held by organizations exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) that are organized for the purpose of supporting general hospitals licensed by the State Department of Health;

74. Sales of tangible personal property or services:
   a. to a foundation which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and which raises tax-deductible contributions in support of a wide range of firearms-related public interest activities of the National Rifle Association of America and other
organizations that defend and foster Second Amendment
rights, and

b. to or by a grassroots fundraising program for sales
related to events to raise funds for a foundation
meeting the qualifications of subparagraph a of this
paragraph;

75. Sales by an organization or entity which is exempt from
taxation pursuant to the provisions of the Internal Revenue Code, 26
U.S.C., Section 501(c)(3) which are related to a fundraising event
sponsored by the organization or entity when the event does not
exceed any five (5) consecutive days and when the sales are not in
the organization's or the entity's regular course of business.
Provided, the exemption provided in this paragraph shall be limited
to tickets sold for admittance to the fundraising event and items
which were donated to the organization or entity for sale at the
event;

76. Effective November 1, 2017, sales of tangible personal
property or services to an organization which is exempt from
taxation pursuant to the provisions of the Internal Revenue Code, 26
U.S.C., Section 501(c)(3) and operates as a collaborative model
which connects community agencies in one location to serve
individuals and families affected by violence and where victims have
access to services and advocacy at no cost to the victim;
77. Effective July 1, 2018, sales of tangible personal property or services to or by an association which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(19) and which is known as the National Guard Association of Oklahoma;

78. Effective July 1, 2018, sales of tangible personal property or services to or by an association which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(4) and which is known as the Marine Corps League of Oklahoma;

79. Sales of tangible personal property or services to the American Legion, whether the purchase is made by the entity chartered by the United States Congress or is an entity organized under the laws of this or another state pursuant to the authority of the national American Legion organization;

80. Sales of tangible personal property or services to or by an organization which is:

   a. exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3),
   b. verified with a letter from the MIT Fab Foundation as an official member of the Fab Lab Network in compliance with the Fab Charter, and
   c. able to provide documentation that its primary and principal purpose is to provide community access to
advanced 21st century manufacturing and digital
fabrication tools for science, technology,
ing engineering, art and math (STEAM) learning skills,
developing inventions, creating and sustaining
businesses and producing personalized products;

81. Effective November 1, 2021, sales of tangible personal
property or services used solely for construction and remodeling
projects to an organization which is exempt from taxation pursuant
to the provisions of the Internal Revenue Code, 26 U.S.C., Section
501(c)(3), and which meets the following requirements:

   a. its primary purpose is to construct or remodel and
      sell affordable housing and provide homeownership
      education to residents of Oklahoma that have an income
      that is below one hundred percent (100%) of the Family
      Median Income guidelines as defined by the U.S.
      Department of Housing and Urban Development,

   b. it conducts its activities in a manner that serves
      public or charitable purposes, rather than commercial
      purposes,

   c. it receives funding and revenue and charges fees in a
      manner that does not incentivize it or its employees
      to act other than in the best interests of its
      clients, and
d. it compensates its employees in a manner that does not incentivize employees to act other than in the best interests of its clients;

82. Effective November 1, 2021, sales of tangible personal property or services to a nonprofit entity, organized pursuant to Oklahoma law before January 1, 2022, exempt from federal income taxation pursuant to Section 501(c) of the Internal Revenue Code of 1986, as amended, the principal functions of which are to provide assistance to natural persons following a disaster, with program emphasis on repair or restoration to single-family residential dwellings or the construction of a replacement single-family residential dwelling. As used in this paragraph, "disaster" means damage to property with or without accompanying injury to persons from heavy rain, high winds, tornadic winds, drought, wildfire, snow, ice, geologic disturbances, explosions, chemical accidents or spills and other events causing damage to property on a large scale. For purposes of this paragraph, an entity that expended at least seventy-five percent (75%) of its funds on the restoration to single-family housing following a disaster including related general and administrative expenses, shall be eligible for the exemption authorized by this paragraph;

83. Effective November 1, 2021, through December 31, 2024, sales of tangible personal property or services to a museum that:
a. operates as a part of an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3),

b. is not accredited by the American Alliance of Museums,

c. operates on an annual budget of less than One Million Dollars ($1,000,000.00);

84. Until July 1, 2022, sales of tangible personal property or services for use in a clinical practice or medical facility operated by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code of the United States, 26 U.S.C., Section 501(c)(3), and which has entered into a joint operating agreement with the University Hospitals Trust created pursuant to Section 3224 of Title 63 of the Oklahoma Statutes. The exemption provided by this paragraph shall be limited to the purchase of tangible personal property and services for use in clinical practices or medical facilities acquired or leased by the organization from the University Hospitals Authority, University Hospitals Trust, or the University of Oklahoma on or after June 1, 2021; and

85. Sales of tangible personal property or services to a nonprofit entity, organized pursuant to Oklahoma law before January 1, 2019, exempt from federal income taxation pursuant to Section 501(c) of the Internal Revenue Code of 1986, as amended, the
principal functions of which are to provide assistance to natural
persons following a disaster, with program emphasis on repair or
restoration to single-family residential dwellings or the
construction of a replacement single-family residential dwelling.
For purposes of this paragraph, an entity operated exclusively for
charitable and educational purposes through the coordination of
volunteers for the disaster recovery of homes (as derived from Part
III, Statement of Program Services, of Internal Revenue Service Form
990) and offers its services free of charge to disaster survivors
statewide who are low income with no or limited means of recovery on
their own for the restoration to single-family housing following a
disaster including related general and administrative expenses,
shall be eligible for the exemption authorized by this paragraph.
The exemption provided by this paragraph shall only be applicable to
sales made on or after the effective date of this act. As used in
this paragraph, "disaster" means damage to property with or without
accompanying injury to persons from heavy rain, high winds, tornadic
winds, drought, wildfire, snow, ice, geologic disturbances,
explotions, chemical accidents or spills and other events causing
damage to property on a large scale; and

86. Occasional sales.

SECTION 3. This act shall become effective July 1, 2023.

SECTION 4. It being immediately necessary for the preservation
of the public peace, health or safety, an emergency is hereby
declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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