

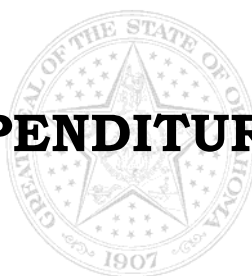


OKLAHOMA TAX COMMISSION

STATE OF OKLAHOMA

Tax Expenditure Report **2007-2008**

PREPARED BY THE
TAX POLICY DIVISION
OF THE
OKLAHOMA TAX COMMISSION



TAX EXPENDITURE REPORT

TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION	3
II. INCOME TAX.....	5
III. SALES & USE TAXES	29
IV. AD VALOREM TAX.....	62
V. MOTOR VEHICLE REGISTRATION FEES	63
VI. MOTOR VEHICLE EXCISE TAX	69
VII. MOTOR FUEL TAXES	74
VIII. ESTATE TAX	78
IX. FRANCHISE TAX.....	81
X. GROSS PRODUCTION AND PETROLEUM EXCISE TAXES	83
XI. MISCELLANEOUS TAX PROVISIONS	84
A. AIRCRAFT REGISTRATION FEES	84
B. AIRCRAFT EXCISE TAX	85
C. WASTE TIRE RECYCLING FEES	87
D. ALCOHOLIC BEVERAGE & LOW POINT BEER EXCISE TAXES	88
E. CIGARETTE STAMP TAX.....	89
F. TOBACCO PRODUCTS TAX	90
G. MOTOR FUEL/DIESEL FUEL IMPORTER FOR USE TAX.....	90
H. SPECIAL FUEL USE TAX.....	92
I. COIN-OPERATED MUSIC AND AMUSEMENT DEVICE FEES	94
J. MOTOR VEHICLE RENTAL TAX.....	95
K. DOCUMENTARY STAMP TAX.....	95
L. TOURISM PROMOTION GROSS RECEIPTS TAX	98
M. CHARITY GAMES TAX.....	98
N. BOAT AND MOTOR REGISTRATION FEES.....	99
O. BOAT AND MOTOR EXCISE TAX.....	100

INTRODUCTION

The following report is the ninth issue of the Oklahoma Tax Expenditure Report. Pursuant to section 1 of Enrolled Senate Bill No. 135 of the Forty-fifth Legislature, First Regular Session, codified at Section 205 of Title 68, the report includes the Tax Commission's best estimate of the amount of state revenue that would have been collected but for the existence of each exclusion, deduction, credit, exemption, deferral, or other preferential tax treatment allowed by law for the previous fiscal year. Enrolled House Bill 2426 of the Forty-sixth Legislature, Second Regular Session amended Section 205 to provide that the report will be prepared no later than October 1 of each even-numbered year. Our next report will be issued October 1, 2010 with estimates for the fiscal year 2010.

The provisions of state tax law that fall within this definition of a "tax expenditure" are separated by tax type. Statutory provisions that affect more than one tax type are listed under each tax. Tax expenditures do not include incentive payment programs or exemptions to taxes not administered, regulated, or collected by the Tax Commission.

The estimates are based upon information from actual tax returns and secondary data sources. Each estimate has a different level of reliability based upon the accuracy of both the data and the estimation procedure. The different categories are as follows:

- | | |
|---------|---|
| Level 1 | Estimate based upon information contained in actual tax returns. The data collected is from returns verified for accuracy and unverified returns. This is the highest level of reliability. |
| Level 2 | Estimate based upon a projection from a composite of a fraction of returns filed or average amount of collections for the particular tax type involved. |
| Level 3 | Estimate derived from secondary data sources, such as other governmental agencies, industry sources, or national reports. |
| Level 4 | Level assigned for those items for which no known reliable data source exists. |

The estimation process for income tax expenditures prevents the summing of each expenditure and the drawing of any precise conclusions about their aggregate value. Estimates which are less than Twenty-five Thousand Dollars (\$25,000.00), are listed as "Minimal" unless a Level 1 estimate is available. Expenditures for which data resources are unavailable to provide an estimate contain the notation N/A (not available). The Commission will continue to strive to provide an estimate for these expenditures in subsequent reports. In 1995, the Tax Commission contracted with the Center for Economics and Management Research (CEMR) at the University of Oklahoma and the Office of Business and Economic Research (OBER) at Oklahoma State

University wherein the departments utilized their resources to provide revenue estimates for sales tax expenditures. The expenditures for which the departments provided estimates are noted in the “Data Source” line as “OU/OSU Group”. The original estimates provided by the OU/OSU Group have been adjusted for the 2008 fiscal year. The sales and use tax estimates were not adjusted for the remuneration allowed for vendors as compensation for collecting taxes, partial compliance upon the removal of an exemption, or changes in buyer patterns due to the loss of an exemption.

This report does not propose to offer an official list of tax expenditures. Rather, it describes as many statutory “tax expenditures” as possible and provides revenue estimates for as many provisions of the state tax laws as can be isolated and measured. Further, each description is a very brief overview and is not intended to describe the tax expenditure with specificity.

Income Tax

1. ***Airport Property & Income***
Citation: 3 O.S. §65.17
Description: Income earned by municipalities operating an airport for public purposes.
Estimate: N/A
Data Source:
Reliability:

2. ***Investment of Surplus Funds of Cemetery Corporations***
Citation: 8 O.S. §17
Description: Surplus funds of cemetery corporations to be invested in secure real estate or securities to ensure perpetual maintenance and improvement of the cemetery.
Estimate: N/A
Data Source:
Reliability:

3. ***Municipal Power Authority***
Citation: 11 O.S. §24-106
Description: All the property of and income, obligations and interest on all the bonds and notes of the Municipal Power Authority.
Estimate: N/A
Data Source:
Reliability:

4. ***Urban Renewal Authorities***
Citation: 11 O.S. §38-115
Description: Income and interest derived from Urban Renewal Authorities' notes and bonds.
Estimate: N/A
Data Source:
Reliability:

5. ***Rural Electric Cooperatives***
Citation: 18 O.S. §437.25
Description: Income earned by rural electric cooperatives.
Estimate: N/A
Data Source:
Reliability:

6. ***Public Rural Ambulance Service Districts***
Citation: 19 O.S. §1220

6. ***Public Rural Ambulance Service Districts (Continued)***
Description: Interest earned on and capital gains of securities and other evidences of indebtedness issued by public rural ambulance service districts.
Estimate: N/A
Data Source:
Reliability:
7. ***Investment in Equipment Used for Recycling, Reuse, or Source Reduction of Hazardous Waste***
Citation: 27A O.S. §2-11-303
Description: One time credit against income tax for an investment in equipment and installation of processes used for the recycling, reuse or source reduction of hazardous waste. The credit is not to exceed twenty percent (20%) of the net investment cost. The credit must be taken within three (3) years of installation and is not to exceed a total of Fifty Thousand Dollars (\$50,000.00) for three consecutive tax years.
Estimate: Zero
Data Source: Income Tax Returns
Reliability:
8. ***Oklahoma Property and Casualty Insurance Guaranty Association***
Citation: 36 O.S. §2017
Description: Income of the Oklahoma Property and Casualty Insurance Guaranty Association.
Estimate: N/A
Data Source:
Reliability:
9. ***Oklahoma Life and Health Insurance Guaranty Association***
Citation: 36 O.S. §2040
Description: Income of the Oklahoma Life and Health Insurance Guaranty Association.
Estimate: N/A
Data Source:
Reliability:
10. ***Nonprofit Hospital Service and Medical Indemnity Corporations***
Citation: 36 O.S. §2617
Description: Income earned by nonprofit hospital service and medical indemnity corporations.
Estimate: N/A
Data Source:
Reliability:

11. ***Nonprofit Optometric Service and Indemnity Corporations***
Citation: 36 O.S. §2665
Description: Income earned by nonprofit optometric service and indemnity corporations.
Estimate: N/A
Data Source:
Reliability:

12. ***Nonprofit Dental Service Corporations***
Citation: 36 O.S. §2685
Description: Income earned by nonprofit dental service corporations.
Estimate: N/A
Data Source:
Reliability:

13. ***Nonprofit Chiropractic Service Corporations***
Citation: 36 O.S. §2691.15
Description: Income earned by nonprofit chiropractic service corporations.
Estimate: N/A
Data Source:
Reliability:

14. ***Service Warranty Associations***
Citation: 36 O.S. §6606
Description: Securities deposited with the Insurance Commissioner by Service Warranty Associations to ensure faithful performance of their obligations.
Estimate: N/A
Data Source:
Reliability:

15. ***Ottawa Reclamation Authority***
Citation: 45 O.S. §814
Description: All loans, interest on loans, and all other property owned by the Ottawa Reclamation Authority.
Estimate: N/A
Data Source:
Reliability:

16. ***State of Oklahoma Building Bonds***
Citation: 62 O.S. §57.4
Description: Income derived from State of Oklahoma Building Bonds.
Estimate: N/A
Data Source:
Reliability:

17. ***State of Oklahoma Building Bonds of 1961***
Citation: 62 O.S. §57.34
Description: Income derived from State of Oklahoma Building Bonds of 1961.
Estimate: N/A
Data Source:
Reliability:
18. ***State Of Oklahoma Building Bonds of 1965***
Citation: 62 O.S. §57.54
Description: Income derived from State of Oklahoma Building Bonds of 1965.
Estimate: N/A
Data Source:
Reliability:
19. ***State of Oklahoma Institutional Building Bonds of 1965***
Citation: 62 O.S. §57.64
Description: Income derived from State of Oklahoma Institutional Building Bonds of 1965
Estimate: N/A
Data Source:
Reliability:
20. ***Local Industrial Development Act***
Citation: 62 O.S. §660
Description: Income derived from bonds issued under the Local Industrial Development Act.
Estimate: N/A
Data Source:
Reliability:
21. ***Enterprise Zone Incentive and Initiative***
Citation: 62 O.S. §690.4
Description: Incentive that increases the investment/new jobs credit (68 O.S. §2357.4) available to manufacturer and processors located in designated enterprise zones.
Estimate: N/A
Data Source:
Reliability:
22. ***Income Tax Exemption for Fallout Shelters***
Citation: 63 O.S. §688.4
Description: Exemption in computing the amount of Oklahoma adjusted gross income for persons constructing radiation fallout shelters. The exemption shall be actual construction cost not to exceed One Thousand Five Hundred Dollars (\$1,500.00) for single family dwellings or Seven Hundred Fifty Dollars (\$750.00) for multi-family units.

22. ***Income Tax Exemption for Fallout Shelters (Continued)***
Estimate: Zero
Data Source: Income Tax Returns
Reliability: 1
23. ***Housing Authorities***
Citation: 63 O.S. §1066
Description: Property and funds of housing authorities. This tax exemption does not apply to any portion of the project used for a profit making enterprise.
Estimate: N/A
Data Source:
Reliability:
24. ***University Hospital Authority Revenue Bonds***
Citation: 63 O.S. §3218
Description: Income and gain from the sale of University Hospital Authority Revenue bonds.
Estimate: N/A
Data Source:
Reliability:
25. ***Low Income Sales Tax Relief***
Citation: 68 O.S. §1370.3
Description: For Oklahoma residents whose gross household income is under Twelve Thousand Dollars (\$12,000.00) per year, a refundable credit of Forty Dollars (\$40.00) per personal exemption is allowed. Credit is only available if sales tax is increased under 68 O.S. §1370.2.
Estimate: Zero
Data Source: Income Tax Returns
Reliability: 1
26. ***Oil and Gas Depletion Allowance***
Citation: 68 O.S. §2353
Description: Deduction as an allowance for depletion based upon cost of oil and gas deposit.
Estimate: \$11,637,000.00
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability:
27. ***Taxes Paid to Another State***
Citation: 68 O.S. §2357
Description: Nonrefundable credit for taxes paid to another state by resident individuals upon personal services compensation.
Estimate: \$33,321,000.00
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2

28. ***Child Care***
Citation: 68 O.S. §2357
Description: Credit (nonrefundable) for child care expenses in the amount of twenty percent (20%) of the federal child care credit. This credit is allowed to residents and part year residents, subject to proration of Oklahoma adjusted gross income to federal gross income.
Estimate: \$6,029,000.00
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
29. ***Gas Used in Manufacturing***
Citation: 68 O.S. §2357
Description: Credit for gas used in manufacturing process. This credit is available to Oklahoma manufacturers who use or consume natural or casinghead gas (with certain limitations) in their manufacturing establishment.
Estimate: \$44,000.00
Data Source: Income Tax Returns
Reliability: 1
30. ***Water Treatment & Pollution Control Facility***
Citation: 68 O.S. §2357
Description: Income tax credits (nonrefundable) for water treatment facilities and pollution control devices.
Estimate: Zero.
Data Source: Income Tax Returns
Reliability: 1
31. ***Oklahoma Investment/New Jobs***
Citation: 68 O.S. §2357.4
Description: Income tax credit (nonrefundable) for either an investment in depreciable property used in a manufacturing or processing facility or for a net increase in average levels of employment in said facilities.
Estimate: \$28,680,000.00
Data Source: Income Tax Returns
Reliability: 1
32. ***Energy Conservation Assistance Fund***
Citation: 68 O.S. §2357.6
Description: Individuals or corporations are allowed a credit (nonrefundable) against income tax for fifty percent (50%) of monies contributed to the Energy Conservation Assistance Fund described in 63 O.S. §2901.
Estimate: Minimal – less than four (4) occurrences
Data Source: Income Tax Returns
Reliability: 1

33. ***Venture Capital***
Citation: 68 O.S. §2357.7
Description: Individuals or corporations are allowed a credit (nonrefundable) against income tax of twenty percent (20%) of the amount of investments made in qualified venture capital companies. Any credit not utilized for the year of investment can be carried forward against subsequent income tax liabilities for a period of three (3) years. The unutilized credit is freely transferable for the same three (3) year period.
Estimate: \$2,475,000.00
Data Source: Tax Commission Records
Reliability: 2
34. ***Oklahoma Coal Production***
Citation: 68 O.S. §2357.11
Description: Corporations that provide water, heat, light or power by means of electricity, gas or steam to citizens of Oklahoma are entitled to a credit (nonrefundable) to offset Oklahoma income tax for purchasing Oklahoma-mined coal. The credit is Three Dollars (\$3.00) per ton of Oklahoma-mined coal purchased.
Estimate: \$38,494.00 (individual returns only)
Data Source: Tax Commission Records
Reliability: 2
35. ***Commercial Space Industries Credit***
Citation: 68 O.S. §2357.13
Description: Provides for an income tax credit based on an investment in qualified commercial space industry projects. The credit is five percent (5%) of the eligible capital costs.
Estimate: N/A
Data Source:
Reliability:
36. ***Investments in Clean-Burning or Electric Motor Vehicles***
Citation: 68 O.S. §2357.22
Description: A one-time income tax credit for conversion of gas or diesel powered vehicles to a clean-burning fuel or electricity. The credit is fifty percent (50%) of the cost of investment in the clean-burning fuel or electrical equipment. In cases where no credit is previously claimed and a motor vehicle is purchased with “factory installed” clean-burning fuel or electrical equipment, and the taxpayer elects not to determine the exact investment cost, the credit is limited to ten percent (10%) of the motor vehicle purchase price up to One Thousand Five Hundred Dollars (\$1,500.00).
Estimate: \$841,000.00
Data Source: Income Tax Returns
Reliability: 1

37. ***Sale of National Historic Landmark***
Citation: 68 O.S. §2357.24
Description: Deduction from taxable income of a resident taxpayer by fifty percent (50%) of any capital gain the owner of a “National Historic Landmark” realizes upon the sale of such landmark to the state.
Estimate: N/A
Data Source:
Reliability:
38. ***Agricultural Processing Facilities***
Citation: 68 O.S. §2357.25
Description: Credit for Oklahoma agricultural producers who invest in Oklahoma producer-owned agricultural processing cooperatives, ventures or marketing associations.
Estimate: \$110,000.00
Data Source: Income Tax Returns
Reliability: 1
39. ***Child Care Services – Employers***
Citation: 68 O.S. §2357.26
Description: A credit of twenty percent (20%) of the amount paid by employers to provide accredited child care programs for the children of their employees.
Estimate: Minimal – less than five (5) occurrences.
Data Source: Income Tax Returns
Reliability: 1
40. ***Child Care Service Providers***
Citation: 68 O.S. §2357.27
Description: A credit of twenty percent (20%) of eligible expenses incurred by entities primarily engaged in the business of providing child care services.
Estimate: \$37,691.00
Data Source: Income Tax Returns
Reliability: 1
41. ***Coast to Coast Airline Service***
Citation: 68 O.S. §2357.28
Description: Credit allowed to establishment that demonstrates commitment to provide nonstop air transportation from this state to either the west coast or the east coast of the continental United States, or both..
Estimate: \$7,269.00
Data Source: Income Tax Returns
Reliability: 1

42. ***Ad Valorem Tax***
Citation: 68 O.S. §2537.29
Description: Refundable credit allowed for residential property damaged or destroyed by the tornado or similar cyclonic winds on May 3, 1999, October 9, 2001, or May 8 or 9, 2003.
Estimate: \$26,275.00
Data Source: Income Tax Returns
Reliability: 1
43. ***Small Business Guaranty Fee***
Citation: 68 O.S. §2357.30
Description: Credit of any amount paid by a small business operating within this state to the U.S. Small Business Administration as a guaranty fee pursuant to obtaining financing guaranteed by the Small Business Administration.
Estimate: \$71,083.00
Data Source: Income Tax Returns
Reliability: 1
44. ***Health Insurance***
Citation: 68 O.S. §2357.31
Description: A refundable income tax credit to employers (corporations, partnerships, or sole proprietors) who provide health insurance to their employees. This credit is only available to those employers who had not provided health insurance in the past. To be eligible for the credit, the employers must participate in a health care plan approved by the Oklahoma Basic Health Benefits Board. The credit is allowed for a two-year period and is Fifteen Dollars (\$15.00) per month per eligible employee.
Estimate: Zero
Data Source: Income Tax Returns
Reliability: 1
45. ***Wind or Photovoltaic Energy Systems***
Citation: 68 O.S. §2357.32
Description: A nonrefundable income tax credit based on the cost of installing a wind or photovoltaic energy system. The credit is calculated by applying a percentage to the total cost of the system. This percentage varies by year. The maximum allowable cost to which the percentage is applied is Twenty Five Thousand Dollars (\$25,000.00) for residential property and One Hundred Fifty Thousand Dollars (\$150,000.00) for non-residential property. To the extent the credit is not utilized, it may be carried over for a period not to exceed five (5) years.
Estimate: Zero.
Data Source: Income Tax Returns
Reliability: 1

46. ***Credit for Electricity Generated by Zero-Emission Facilities***
Citation: 68 O.S. §2357.32A
Description: Provides for an income tax credit based on the amount of electricity generated by a qualified zero-emission facility.
Estimate: Minimal – less than five (5) occurrences
Data Source: Income Tax Returns
Reliability: 1
47. ***Credit for Manufacturers of Advanced Small Wind Turbines***
Citation: 68 O.S. §2357.32B
Description: A credit is allowed for Oklahoma manufacturers of advanced small wind turbine products, including rotor blades and alternators. The credit is based on the square footage of rotor-swept area of advanced small wind turbines manufactured in this state.
Estimate: \$318,240.00
Data Source: Income Tax Returns
Reliability: 1
48. ***Hepatitis Immunization***
Citation: 68 O.S. §2357.33
Description: Credit for amounts paid by a taxpayer operating one or more food service establishments for providing immunizations against Hepatitis A to employees who work in such establishments.
Estimate: Minimal – less than five (5) occurrences
Data Source: Tax Commission Records
Reliability: 2
49. ***Tourism Promotion Credit***
Citation: 68 O.S. §§ 2357.34 through 2357.40
Description: Provides for an income tax credit for an investment in a qualified tourism attraction project. The credit is based on the approved costs of the project and is ten percent (10%), if the approved costs are between Five Hundred Thousand Dollars (\$500,000.00) and One Million Dollars (\$1,000,000.00); twenty-five percent (25%), if the approved costs are in excess of One Million Dollars (\$1,000,000.00).
Estimate: Zero
Data Source: Income Tax Returns
Reliability: 1
50. ***Tax Credit for Qualified Rehabilitation Expenditures***
Citation: 68 O.S. § 2357.41
Description: Provides for an income tax credit equal to one hundred percent (100%) of the federal rehabilitation credit under Title 26 U.S.C. § 47. The rehabilitation credit is limited to projects that rehabilitate certain historic hotels and newspaper buildings.

50. ***Tax Credit for Qualified Rehabilitation Expenditures (Continued)***
Estimate: \$127,950.00
Data Source: Income Tax Returns
Reliability: 1
51. ***Space Vehicle Provider Incentive***
Citation: 68 O.S. §2357.42
Description: Provides for an income tax or insurance premium tax credit for investment in a space transportation vehicle provider.
Estimate: Zero
Date Source: Income Tax Returns
Reliability: 1
52. ***Oklahoma Earned Income Tax Credit***
Citation: 68 O.S. §2357.43
Description: Allows an Oklahoma Earned Income Tax Credit equal to five percent (5%) of the federal Earned Income Tax Credit.
Estimate: \$30,243,000.00
Data Source: Commission Records
Reliability: 1
53. ***Credit for Donations to Biomedical Research Foundations***
Citation: 68 O.S. §2357.45
Description: An income tax credit for donations to a qualified independent biomedical research institute. The credit will be fifty percent (50%) of the amount donated, not to exceed One Thousand Dollars (\$1,000.00).
Estimate: \$305,000.00
Data Source: Commission Records
Reliability: 2
54. ***Qualified Recycling Facility***
Citation: 68 O.S. §2357.59
Description: An income tax credit for qualified recycling facilities based upon fifteen percent (15%) of the investment cost.
Estimate: Minimal – less than five (5) occurrences
Data Source: Income Tax Returns
Description: 1
55. ***Investment in Qualified Small Business Capital Companies***
Citation: 68 O.S. §2357.62
Description: An income tax credit for investments in qualified small business capital companies based on twenty percent (20%) of the cash amount invested.
Estimate: \$1,259,568.00
Data Source: Commission Records
Reliability: 1

56. ***Investment in Small Business Ventures***
Citation: 68 O.S. §2357.63
Description: An income tax credit for investments in Oklahoma small business ventures based on twenty percent (20%) of the cash amount invested.
Estimate: N/A
Data Source:
Reliability:
57. ***Credit for Qualified Ethanol Facilities***
Citation: 68 O.S. §2357.66
Description: An income tax credit for qualified new ethanol facilities in this state-construction of which must be completed after July 1, 2003. The facility must be in production at a rate of at least twenty-five percent (25%) of its capacity by December 31, 2006 to qualify.
Estimate: N/A
Data Source:
Reliability:
58. ***Investment in Rural Venture Capital Companies***
Citation: 68 O.S. §2357.73
Description: An income tax credit for investments in rural venture capital companies based on twenty percent (20%) of the cash amount invested.
Estimate: \$3,529,952.00
Data Source: Tax Commission Records
Reliability: 2
59. ***Investment in Rural Venture Capital Companies***
Citation: 68 O.S. §2357.74
Description: An income tax credit for investments in rural small business ventures based on twenty percent (20%) of the cash amount invested.
Estimate: N/A
Data Source:
Reliability:
60. ***Investment Incentive Credit***
Citation: 68 O.S. §2357.81
Description: An income tax credit for new or expanded facilities located within certain qualified incentive districts, based on an ad valorem abatement.
Estimate: Zero
Data Source: Income Tax Records
Reliability: 1

61. ***Poultry Litter Tax Credit***
Citation: 68 O.S. §2357.100
Description: An income tax credit of Five Dollars (\$5.00) per ton of poultry litter purchased from a registered Oklahoma-based poultry operation located within an environmentally sensitive and nutrient-limited watershed which is to be used or spread in a watershed that is not environmentally sensitive and nutrient-limited.
Estimate: \$94,567.00
Data Source: Tax Commission Records
Reliability: 2
62. ***Film and Music Profit Reinvestment Credit***
Citation: 68 O.S. §2357.101
Description: An income tax credit of twenty-five percent (25%) of the profit from the investment in an existing film for a production company that reinvests to pay for production costs for a new film project.
Estimate: \$41,000.00
Data Source: Tax Commission Records
Reliability: 2
63. ***Dry Fire Hydrant Credit***
Citation: 68 O.S. §2357.102
Description: An Oklahoma Income Tax credit of fifty percent (50%) of the purchase of a dry fire hydrant or the cost to provide an acceptable means of water storage for such dry fire hydrant including a pond, tank, or other storage facility with the primary purpose of fire protection within the State of Oklahoma.
Estimate: Minimal – less than five (5) occurrences
Data Source: Income Tax Returns
Reliability: 2
64. ***Specially Trained Canine Credit***
Citation: 68 O.S. §2357.203
Description: An income tax credit in the amount of fifty percent (50%) of the qualified direct costs associated with the operation of a business enterprise, for which the principal purpose is the rearing of specially trained canines.
Estimate: \$99,402.00
Data Source: Income Tax Returns
Reliability: 2
65. ***Net Operating Losses***
Citation: 68 O.S. §2358
Description: Oklahoma net operating losses can be used to offset another years' taxable income. For losses incurred between tax years 1996 and 2000, losses may only be carried forward. For losses incurred in tax year 2001 and subsequent years, losses may be carried either forward or back, at the option of the taxpayer.

65. ***Net Operating Losses (Continued)***
Estimate: \$19,876,000.00 (individual income tax returns only)
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
66. ***Transfers of Technologies to Small Business***
Citation: **68 O.S. §2358**
Description: Royalty payments received for transfers of technologies to qualified Oklahoma small businesses.
Estimate: N/A
Data Source:
Reliability:
67. ***Personal Exemption***
Citation: **68 O.S. §2358**
Description: Individuals may deduct One Thousand Dollars (\$1,000.00) for personal exemptions in lieu of the federal personal exemption in calculating Oklahoma taxable income.
Estimate: \$137,911,000.00
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
68. ***Blind Individuals***
Citation: **68 O.S. §2358**
Description: Blind individuals may deduct One Thousand Dollars (\$1,000.00) in calculating Oklahoma taxable income.
Estimate: \$150,000.00
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
69. ***Individuals Sixty-five (65) or older***
Citation: **68 O.S. §2358**
Description: Allows individuals sixty-five (65) years of age or older to deduct One Thousand Dollars (\$1,000.00) in calculating Oklahoma taxable income, provided certain income limitations apply.
Estimate: \$856,000.00
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
70. ***Itemized/Standard Deductions***
Citation: **68 O.S. §2358**
Description: Taxpayers may either itemize their deductions or claim the standard deductions. If using itemized deductions, those will be the same as claimed for federal income tax purposes. Taxpayers utilizing the standard deductions are limited to fifteen percent (15%) of their Oklahoma Adjusted Gross Income (AGI) not to be less than One

70. ***Itemized/Standard Deductions (Continued)***
 Thousand Dollars (\$1000.00) but not to exceed Two Thousand Dollars (\$2,000.00). Married filing separate range is Five Hundred to One Thousand Dollars (\$500.00 to \$1,000.00).
Estimate: \$685,506,000.00
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
71. ***Taxpayers with Physical Disabilities***
Citation: 68 O.S. §2358
Description: Oklahoma resident taxpayers with physical disabilities may deduct the expenditures to modify a motor vehicle, home, or workplace to compensate for their handicap.
Estimate: \$38,000.00
Data Source: Commission Records
Reliability: 2
72. ***Members of the Armed Services***
Citation: 68 O.S. §2358
Description: The first One Thousand Five Hundred Dollars (\$1,500.00) of compensation received by an individual from any component of the Armed Services. This does not include retirement benefits. Exempts salary and compensation of any member of the Armed Services when detained by the enemy in a conflict, when a prisoner of war or when missing in action.
Estimate: \$1,511,000.00
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
73. ***Dividend/Interest Income Exclusion***
Citation: 68 O.S. §2358
Description: Dividend/Interest income exclusion to individual taxpayers of One Hundred Dollars (\$100.00) per person not to exceed Two Hundred (\$200.00) on a joint return.
Estimate: \$1,943,000.00
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
74. ***Federal Income Tax Deduction***
Citation: 68 O.S. §2358
Description: Allows for a deduction of Federal income taxes paid by an individual taxpayer. This is to be prorated on a basis of Oklahoma Adjusted Gross Income to Federal Adjusted Gross Income.
Estimate: Zero
Data Source:
Reliability:

75. ***Government Retirement and Social Security Benefits***
Citation: 68 O.S. §2358
Description: Exemption for the first Seven Thousand Five Hundred Dollars (\$7,500.00) of most government retirement benefits received and Social Security benefits to the extent those Social Security benefits are included in Federal Adjusted Gross Income.
Estimate (Government): \$50,215,000.00
Estimate (Social Security): \$77,496,000.00
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
76. ***Deferred Compensation:***
Citation: 68 O.S. §2358
Description: Lump-sum distributions from employer deferred compensation plans, which are not plans within the Internal Revenue Code, deposited in separate bank accounts.
Estimate: N/A
Data Source:
Reliability:
77. ***Medical Savings Account***
Citation: 68 O.S. §2358
Description: Contributions made to, and interest earned on, a medical savings account.
Estimate: Zero
Data Source: Income Tax Returns
Reliability: 1
78. ***Nonrecurring Adoption Expenses***
Citation: 68 O.S. §2358
Description: Nonrecurring adoption expenses incurred in connection with the adoption or proposed adoption of a minor. The deduction shall be limited to Twenty Thousand Dollars (\$20,000.00) per calendar year.
Estimate: \$215,000.00
Data Source: Income Tax Returns
Reliability: 1
79. ***Private Retirement Benefits***
Citation: 68 O.S. §2358
Description: Exemption for specified private retirement benefits. The exemption is the amount of Seven Thousand Five Hundred Dollars (\$7,500.00). The exemption is limited to taxpayers who meet certain age, income, and filing status requirements.
Estimate: \$17,657,000.00
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2

80. ***Agricultural Commodity Processing Facilities***
Citation: 68 O.S. §2358
Description: Exclusion from taxable income in the amount of fifteen percent (15%) of the investment for new or expanded agricultural commodity processing facilities.
Estimate: Minimal
Data Source: Commission Records
Reliability: 2
81. ***Swine and Poultry Producers***
Citation: 68 O.S. §2358
Description: Deduction from adjusted gross income for the depreciation allowed for new construction or expansion costs incurred by swine and poultry producers.
Estimate: Minimal
Data Source: Income Tax Returns
Reliability: 2
82. ***Oklahoma Police Corps Scholarship Program***
Citation: 68 O.S. §2358
Description: Allows for the deduction of federally taxable scholarship or stipend income if received from the Oklahoma Police Corps Scholarship Program.
Estimate: Minimal
Date Source: Income Tax Returns
Reliability: 2
83. ***Oklahoma College Savings Program***
Citation: 68 O.S. §2358
Description: Allows for the deduction of up to Two Thousand Five Hundred Dollars (\$2,500.00) for contributions to an account established under the Oklahoma College Savings Program.
Estimate: \$1,708,000.00
Data Source: Income Tax Returns
Reliability: 1
84. ***Indian Employment Exclusion***
Citation: 68 O.S. §2358
Description: Allows for the exclusion of wages not excluded for federal income tax purposes due to the claiming of the federal Indian employment credit.
Estimate: \$602,000.00
Data Source: Income Tax Returns
Reliability: 1

85. ***Deduction for Discharge of Farm Indebtedness Income***
Citation: 68 O.S. §2358
Description: Allows for the deduction of income recognized due to the discharge of farm indebtedness.
Estimate: Minimal
Data Source: Income Tax Returns
Reliability: 2
86. ***Prisoners of War***
Citation: 68 O.S. §2358.1
Description: Income of members of the Armed Forces of the United States and certain civilians who have been detained as prisoners of war or are listed as missing in action. The income of spouses and dependents of such persons are eligible for an exemption from Oklahoma income tax for the duration of the prisoner of war or missing in action status. Further provides for refund provisions on taxes paid during prisoner of war or missing in action status.
Estimate: Zero
Data Source: Income Tax Returns
Reliability: 1
87. ***Political Contributions***
Citations: 68 O.S. §2358.3
Description: Contributions to a political party or to a candidate or candidate committee may be deducted from adjusted gross income. The deduction may not exceed One Hundred Dollars (\$100.00).
Estimate: \$236,000.00
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
88. ***Income Averaging for Farmers***
Citation: 68 O.S. §2358.4
Description: Allows farmers to elect to compute Oklahoma income tax using the income averaging method.
Estimate: N/A
Data Source:
Reliability:
89. ***Bond Interest Income***
Citation: 68 O.S. §2358.5
Description: Provides for interest from local government obligations issued after July 1, 2001 by or on behalf of Oklahoma educational institutions, cities, towns, countries or public trusts (in which any of the foregoing are beneficiaries) to be exempt from Oklahoma income tax.
Estimate: N/A
Data Source:
Reliability:

90. ***Volunteer Firefighter Credit***
Citation: 68 O.S. §2358.7
Description: An income tax credit of Two Hundred Dollars (\$200.00) is available for a volunteer firefighter who has completed at least twelve (12) hours toward the Volunteer Firefighter Practices program offered by the OSU Fire Service Training. An income tax credit of Four Hundred Dollars (\$400.00) each year is available for a volunteer firefighter who, after completing at least thirty (30) hours of instruction, and having completed the Volunteer Firefighter Practices program, meets additional training requirements.
Estimate: \$468,000.00
Data Source: Tax Commission Records
Reliability: 2
91. ***Exempt Organizations***
Citation: 68 O.S. §2359
Description: This provision exempts certain organizations from Oklahoma income tax. The exemption includes organizations exempt from taxation under provisions of the Internal Revenue Code and insurance companies paying a tax on gross premiums.
Estimate: N/A
Data Source:
Reliability:
92. ***Low Income Property Tax Relief***
Citation: 68 O.S. §2908
Description: An Oklahoma head of household, at least sixty-five (65) years of age or totally disabled, with a gross household income which does not exceed Twelve Thousand Dollars (\$12,000.00), is entitled to a credit. This credit is a direct credit against income tax. The credit is based on the property tax that exceeds one percent (1%) of the household income, limited to a maximum credit of Two Hundred Dollars (\$200.00).
Estimate: \$75,000.00
Data Source: Income Tax Returns
Reliability: 1
93. ***Sales Tax Relief***
Citation: 68 O.S. §5011
Description: Persons domiciled in this state during the entire calendar year and whose gross household income does not exceed Twenty Thousand Dollars (\$20,000.00) for individuals and Fifty Thousand Dollars (\$50,000.00) for those who claim a dependent, are at least sixty-five (65) years old or have a physical disability constituting a substantial handicap to employment may file a claim for sales tax relief. This relief is in the form of an income tax credit.

93. ***Sales Tax Relief (Continued)***
Estimate: \$37,813,000.00
Data Source: Income Tax Returns and Department of Human Services
Reliability: 1
94. ***Oklahoma Turnpike Authority***
Citation: **69 O.S. §1714**
Description: The Oklahoma Turnpike Authority is not required to pay any taxes or assessments on any project or property acquired under the statute creating and governing the Authority. Any income earned by the Authority, as well as any bond issued by the Authority is exempt from state taxation. In the event the Authority leases property for concessions, that transaction creates a taxable event.
Estimate: N/A
Data Source:
Reliability:
95. ***Oklahoma Educational Television Authority***
Citation: **70 O.S. §23-116**
Description: Income earned by the Oklahoma Educational Television Authority and income derived from bonds issued by the Authority.
Estimate: N/A
Data Source:
Reliability:
96. ***Oklahoma Student Loan Authority Bonds***
Citation: **70 O.S. §695.3**
Description: Bonds and the income from bonds issued by the Oklahoma Student Loan Authority.
Estimate: N/A
Data Source:
Reliability:
97. ***Independent School Districts – Stadium, Sports Arena, & Recreation Facilities Construction Revenue Boards***
Citation: **70 O.S. §821.4**
Description: Any bond issued pursuant to 70 O.S. §821 et seq.
Estimate: N/A
Data Source:
Reliability:
98. ***Board of Regents of Specific Institutions of Higher Learning Authorized to Issue Tax Exempt Bonds***
Citation: **70 O.S. §4002**
Description: Bonds issued by various boards of regents of institutes of higher learning.

98. ***Board of Regents of Specific Institutions of Higher Learning Authorized to Issue Tax Exempt Bonds (Continued)***
Estimate: N/A
Data Source:
Reliability:
99. ***Oklahoma Tuition Trust***
Citation: 70 O.S. §6014
Description: The property and income of the Oklahoma Tuition Trust is exempt from taxation. Purchasers of advance tuition payments administered by the Oklahoma Tuition Trust are allowed to deduct those payments from taxable income in the year the purchase was made.
Estimate: N/A
Data Source:
Reliability:
100. ***Oklahoma Industrial Finance Authority – State Industrial Finance Bonds***
Citation: 74 O.S. §856
Description: Income derived from bonds of Oklahoma Industrial Finance Authority.
Estimate: N/A
Data Source:
Reliability:
101. ***Native American Cultural & Educational Authority of Oklahoma***
Citation: 74 O.S. §1226.10
Description: The Native American Cultural & Educational Authority of Oklahoma is exempt from paying taxes on any project or property acquired or used by the Authority. This includes income from the property of the Authority.
Estimate: N/A
Data Source:
Reliability:
102. ***Oklahoma Tourism and Recreation Commission***
Citation: 74 O.S. §1869
Description: Property controlled and operated, as well as bonds issued by the Oklahoma Tourism and Recreation Commission.
Estimate: N/A
Data Source:
Reliability:
103. ***Export Trading Companies***
Citation: 74 O.S. §2106

103. ***Export Trading Companies (Continued)***
Description: Income earned by “Export Trading Companies” is exempt from state income taxes for two years from the date the Director of the Oklahoma Department of Commerce certifies said corporation as a qualified Export Trading Company.
Estimate: N/A
Data Source:
Reliability:
104. ***Oklahoma Center for the Advancement of Science and Technology***
Citation: 74 O.S. §5060.9
Description: Income earned by the Oklahoma Center for the Advancement of Science and Technology.
Estimate: N/A
Data Source:
Reliability:
105. ***Oklahoma Development Finance Authority Bonds***
Citation: 74 O.S. §5062.11
Description: Income derived bonds issued by the Oklahoma Development Finance Authority.
Estimate: N/A
Data Source:
Reliability:
106. ***Credit Enhancement Reserve Fund General Obligation Bonds Issued by the Oklahoma Development Finance Authority***
Citation: 74 O.S. §5063.18
Description: Interest and income from Credit Enhancement Reserve Fund General Obligation Bonds issued by the Oklahoma Development Finance Authority.
Estimate: N/A
Data Source:
Reliability:
107. ***Tax Incentives for Inventors***
Citation: 74 O.S. §5064.7
Description: Royalty income is exempt from state income taxes for a period of seven (7) years upon products developed and manufactured in Oklahoma. Further, manufacturers may qualify for the Oklahoma Investment/New Jobs Credit (68 O.S. §2357.4) and an income exclusion of sixty-five percent (65%) of depreciable property purchased and directly used in manufacturing the product, not to exceed Five Hundred Thousand Dollars(\$500,000.00).
Estimate: N/A
Data Source:
Reliability:

108. ***Small Business Incubators – Sponsors***
Citation: 74 O.S. §5075
Description: Income earned by a small business incubator sponsor from rental and service fees.
Estimate: N/A
Data Source:
Reliability:
109. ***Small Business Incubators – Tenants***
Citation: 74 O.S. §5078
Description: Tenants of small business incubators are exempt from income tax on the income earned as a result of the occupancy in the incubator. This exemption is available for a period up to five (5) years.
Estimate: N/A
Data Source:
Reliability:
110. ***Oklahoma Capital Investment Board***
Citation: 74 O.S. §5085.7
Description: The Oklahoma Capital Investment Board (OCIB) is allowed to sell up to Ten Million Dollars (\$10,000,000.00) in credits against income tax under certain circumstances.
Estimate: Zero
Data Source: Income Tax Returns
Reliability: 1
111. ***Irrigation Districts***
Citation: 82 O.S. §277.17
Description: All bonds, notes, and warrants, as well as interest thereon, issued pursuant to the Oklahoma Irrigation District Act.
Estimate: N/A
Data Source:
Reliability:
112. ***Conservancy Districts/Conservancy Bonds***
Citation: 82 O.S. §277.17
Description: Interest on any bond, note or warrant issued by a conservancy district.
Estimate: N/A
Data Source:
Reliability:
113. ***Grand River Dam Authority***
Citation: 82 O.S. §876
Description: Bonds and interest on bonds issued by the Grand River Dam Authority.

113. ***Grand River Dam Authority (Continued)***
Estimate: N/A
Data Source:
Reliability:
114. ***Water Resources Board Investment Certificates***
Citation: 82 O.S. §1085.33
Description: Income derived from Water Resources Board Investment Certificates.
Estimate: N/A
Data Source:
Reliability:
115. ***Port Authority Bonds***
Citation: 82 O.S. §1124
Description: Income derived from bonds issued by Port Authorities.
Estimate: N/A
Data Source:
Reliability:
116. ***Regional Water Districts***
Citation: 82 O.S. §1274
Description: Interest and capital gains on obligations, securities, and evidences of indebtedness of regional water districts.
Estimate: N/A
Data Source:
Reliability:
117. ***Rural Water, Sewer, Gas & Solid Waste Management Districts***
Citation: 82 O.S. §1324.22
Description: Interest and capital gains on securities or evidences of indebtedness of rural water, sewer, gas, and solid waste management districts.
Estimate: N/A
Data Source:
Reliability:

Sales and Use Tax

1. ***Rural Electric Cooperatives***
Citation: 18 O.S. §437.25
Description: Purchases by rural electric cooperatives and foreign corporations transacting business under the Rural Electric Cooperative Act.
Estimate (Sales Tax): \$5,108,000
Data Source: OU/OSU Group
Reliability: 3

2. ***Rural Water and Sewer Districts***
Citation: 18 O.S. §863
Description: Purchases by nonprofit corporations organized for the purpose of developing and providing rural water supply and sewage disposal facilities.
Estimate (Sales Tax): N/A
Data Source:
Reliability:

3. ***Rural Ambulance Service Districts***
Citation: 19 O.S. §1220
Description: Purchases made by rural ambulance service districts.
Estimate (Sales Tax): N/A
Data Source:
Reliability:

4. ***Oklahoma Property and Casualty Insurance Guaranty Association***
Citation: 36 O.S. §2017
Description: Purchases made by the Oklahoma Property and Casualty Insurance Guaranty Association.
Estimate (Sales Tax): Minimal
Data Source: OU/OSU Group
Reliability: 3

5. ***Oklahoma Life and Health Insurance Guaranty Association***
Citation: 36 O.S. §2040
Description: Purchases made by the Oklahoma Life and Health Insurance Guaranty Association.
Estimate (Sales Tax) : Minimal
Data Source: OU/OSU Group
Reliability: 3

6. ***Manufacturers of Low-Point Beer***
Citation: 37 O.S. §163.3
Description: Purchases of machinery and equipment directly used in the manufacture, within the state, of low-point beer.

6. ***Manufacturers of Low-Point Beer (Continued)***
Estimate (Sales Tax) : Minimal
Data Source: OU/OSU Group
Reliability: 3

7. ***Oklahoma Housing Authority***
Citation: **63 O.S. §1066**
Description: Purchase of property by an Oklahoma housing authority.
Estimate (Sales Tax) : \$25,000.00
Data Source: OU/OSU Group
Reliability: 3

8. ***Newspapers and Periodicals***
Citation: **68 O.S. §1354**
Description: Sales of newspapers and periodicals
Estimate (Sales Tax) : \$13,772,000.00
Data Source: OU/OSU Group
Reliability: 3

9. ***Water, Sewage and Refuse Services***
Citation: **68 O.S. §1354**
Description: Sales of water, sewage, and refuse services.
Estimate (Sales Tax) : \$12,771,000.00
Data Source: OU/OSU Group
Reliability: 3

10. ***Tourism Broker Transportation Services***
Citation: **68 O.S. §1354**
Description: Transportation services provided by a tourism service broker which are incidental to the rendition of tourism brokerage services.
Estimate (Sales Tax) : \$458,000.00
Data Source: OU/OSU Group
Reliability: 3

11. ***Funeral Home Transportation Services***
Citation: **68 O.S. §1354**
Description: Transportation services provided by a funeral establishment to family members and other persons for purposes of conducting a funeral in this state.
Estimate (Sales Tax) : \$535,000.00
Data Source: OU/OSU Group
Reliability: 3

12. ***Scientific/Educational Lab Printing***
Citation: **68 O.S. §1354**
Description: Services of printing, copying or photocopying by a privately owned scientific and educational library.

12. ***Scientific/Educational Lab Printing (Continued)***
Estimate (Sales Tax) : Minimal
Data Source: OU/OSU Group
Reliability: 3
13. ***Credit for Contractors after Sales Tax Increase***
Citation: 68 O.S. §1354
Description: Credit for taxes paid by a contractor for purchases made subsequent to the date of a contract entered into prior to the effective date of an increase in the sales tax levied.
Estimate (Sales Tax) : Zero
Data Source: OU/OSU Group
Reliability: 3
14. ***Leases of Motor Vehicles***
Citation: 68 O.S. §1355
Description: Leases for a period of twelve (12) months or more of motor vehicles.
Estimate (Sales Tax) : N/A
Date Source:
Reliability:
15. ***Leases of Aircraft***
Citation: 68 O.S. §1355
Description: Leases of aircraft upon which the owners have paid the aircraft excise tax or are exempt from such tax.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
16. ***United States Government***
Citation: 68 O.S. §1356
Description: Sales of property or services to the United States Government.
Estimate (Sales Tax) : Zero¹
Data Source:
Reliability:
17. ***State of Oklahoma***
Citation: 68 O.S. §1356
Description: Sales of property or services to the State of Oklahoma and its political subdivisions.
Estimate (State Tax) : \$85,105,000.00
Data Source: OU/OSU Group
Reliability: 3
18. ***Agents of the United States Government***
Citation: 68 O.S. §1356

18. ***Agents of the United States Government (Continued)***
Description: Sales to agents of the United States government wherein ownership and possession transfer immediately to the United States government.
Estimate (Sales Tax) : Zero¹
Data Source:
Reliability:
19. ***Federally Funded Facility***
Citation: 68 O.S. §1356
Description: Sales of property to agents appointed by a political subdivision of this state if such sale is associated with the development of a qualified federal facility.
Estimate (State Tax) : Zero
Data Source: Tax Commission Records
Reliability: 2
20. ***County, District, or State Fair Authorities***
Citation: 68 O.S. §1356
Description: Sales made 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.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
21. ***School Cafeterias***
Citation: 68 O.S. §1356
Description: Sale of food in cafeterias or lunch rooms by elementary schools, high schools, colleges or universities.
Estimate (Sales Tax) : \$5,565,000.00
Data Source: OU/OSU Group
Reliability: 3
22. ***Fraternal, Religious, Civic, Charitable or Educational Societies***
Citation: 68 O.S. §1356
Description: Dues paid to fraternal, religious, civic, charitable or educational societies or organizations by regular members thereof.
Estimate (Sales Tax) : \$3,697,000.00
Data Source: OU/OSU Group
Reliability: 3
23. ***Churches***
Citation: 68 O.S. §1356
Description: Sales of property or services to or by churches.
Estimate (Sales Tax) : \$5,686,000.00
Data Source: OU/OSU Group
Reliability: 3

24. ***Charitable Purposes***
Citation: 68 O.S. §1356
Description: Sales by nonprofit organizations making sales on behalf of or at the request of a church or churches during one single three (3) day period each year, where the proceeds are used for charitable purposes.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
25. ***Admission Tickets (College or University)***
Citation: 68 O.S. §1356
Description: Amount of proceeds from sale of admission tickets which is separately stated on the ticket for repayment of money borrowed by any state-supported college or university for the purpose of constructing or enlarging any facility.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
26. ***Council Organizations***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property or services to Council Organizations of the Boy Scouts of America, Girl Scouts of U.S.A. and Campfire USA.
Estimate (Sales Tax) : \$74,000.00
Data Source: OU/OSU Group
Reliability: 3
27. ***Subdivisions or Agencies of the State***
Citation: 68 O.S. §1356
Description: Sales of property or services to any county, municipality, rural water district, public school district, the institutions of The Oklahoma State System of Higher Education, the Grand River Dam Authority, the Northeast Oklahoma Public Facilities Authority, 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, and Oklahoma Ordnance Work Authority.² The exemption also extends to persons who have entered into a public contract with any of the above-named subdivisions or agencies.
Estimate (Sales Tax) : \$104,750,000.00
Data Source: OU/OSU Group
Reliability: 3

28. ***Private Education Institutions***
Citation: 68 O.S. §1356
Description: Sales to private institutions of higher education and private elementary and secondary institutions of education accredited by the State Department of Education.
Estimate (Sales Tax) : \$2,839,000.00
Data Source: OU/OSU Group
Reliability: 3
29. ***Tuition and Educational Files***
Citation: 68 O.S. §1356
Description: 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.
Estimate (Sales Tax) : \$19,600,000.00
Data Source: OU/OSU Group
Reliability: 3
30. ***Sales by Schools***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property by a public school, private school (K-12), public school district, public or private school board, public or private school student group or organization, parent-teacher association or organization, or public or private school personnel for the purpose of raising funds.
Estimate (Sales Tax) : \$6,414,000.00
Data Source: OU/OSU Group
Reliability: 3
31. ***4-H Clubs***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property by local, county, state or regional 4-H clubs, 4-H councils, 4-H committees, 4-H leader associations, 4-H foundations, and 4-H camps and training centers for the purpose of raising funds.
Estimate (Sales Tax) : Minimal
Data Source: OU/OSU Group
Reliability: 3
32. ***Athletic Event Admission Tickets***
Citation: 68 O.S. §1356
Description: Exemption for the first Seventy-five Thousand Dollars (\$75,000.00) of gross receipts each year from sale of tickets and concessions at athletic events by organizations exempt from taxation under 26 U.S.C. §501(c)(4).
Estimate (Sales Tax) : N/A
Data Source:
Reliability:

33. ***Promotional Items***
Citation: 68 O.S. §1356
Description: Items or services which are given away by the Department of Tourism as promotional items.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
34. ***Volunteer Fire Departments***
Citation: 68 O.S. §1356
Description: Sales of property or services to volunteer fire departments for use by the fire department.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
35. ***Complimentary Admission Tickets***
Citation: 68 O.S. §1356
Description: Free tickets for admission to places of amusement, sports, or other activities which are issued through a box office operated by a state institution of higher education or by a municipality.
Estimate (Sales Tax) : Minimal
Data Source: OU/OSU Group
Reliability: 3
36. ***Sales by Fire Departments***
Citation: 68 O.S. §1356
Description: Exemption for the first Fifteen Thousand Dollars (\$15,000.00) of gross receipts each year from sales of tangible personal property by fire departments organized pursuant to Title 11, 18 or 19 of the Oklahoma Statutes for the purpose of raising funds.
Estimate (Sales Tax) : \$451,000.00
Data Source: OU/OSU Group
Reliability: 3
37. ***Boys and Girls Clubs of America***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property or services to any Boys and Girls Clubs of America affiliate in this state which is not affiliated with the Salvation Army.
Estimate (Sales Tax) : \$46,000.00
Data Source: OU/OSU Group
Reliability: 3
38. ***Court-Adjudicated Juvenile Facility***
Citation: 68 O.S. §1356

38. ***Court-Adjudicated Juvenile Facility (Continued)***
Description: Sales of tangible personal property or services to any federally tax exempt organization that takes court-adjudicated juveniles for purposes of rehabilitation.
Estimate (Sales Tax) : Minimal
Data Source: OU/OSU Group
Reliability: 3
39. ***Qualified Health Centers***
Citation: 68 O.S. §1356
Description: Sales of property and services to federally-qualified health centers, migrant health centers, indigent health care centers, and qualifying community-based health centers.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
40. ***Dues or Fees Paid to YMCAs or YWCAs***
Citation: 68 O.S. §1356
Description: Dues or fees paid to YMCAs, YWCAs, or municipally-owned recreation centers for use of facilities or programs.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
41. ***Cultural Organizations***
Citation: 68 O.S. §1356
Description: The first Fifteen Thousand Dollars (\$15,000.00) each year from sales by or to cultural organizations.
Estimate (Sales Tax): \$96,000
Data Source: Tax Commission Records
Reliability: 2
42. ***Museums***
Citation: 68 O.S. §1356
Description: Sales of property or services to museums or other entities accredited by the American Association of Museums.
Estimate (Sales Tax) : \$96,000.00
Data Source: Industry Sources
Reliability: 3
43. ***Museum Admission Tickets***
Citation: 68 O.S. §1356
Description: Sales of tickets for admission to museums accredited by the American Association of Museums.
Estimate (Sales Tax) : \$277,000.00
Data Source: Industry Sources
Reliability: 3

44. ***Children's Homes***
Citation: 68 O.S. §1356
Description: Sales of property or services to children's homes which are supported by one or more churches whose members serve as trustees of the home.
Estimate (Sales Tax) : N/A
Description:
Reliability:
45. ***Disabled American Veterans***
Citation: 68 O.S. §1356
Description: Sales of property or services to the organization known as Disabled American Veterans, Department of Oklahoma, Inc., and subordinate chapters thereof.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
46. ***Youth Camps***
Citation: 68 O.S. §1356
Description: Sales of property or services to youth camps supported or sponsored by one or more churches whose members serve as trustees of the organization.
Estimate (Sales Tax) : Minimal
Data Source: Industry Sources
Reliability: 3
47. ***University Hospital Trust***
Citation: 68 O.S. §1356
Description: Transfer of property from University Hospitals Authority to University Hospitals Trust.
Estimate (Sales Tax) : Zero
Data Source: Tax Commission Records
Reliability: 1
48. ***Lease or Lease-Purchase Agreement***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property or services to a municipality, county or school district pursuant to a lease or lease-purchase agreement between the vendor and a municipality, county or school district.
Estimate : N/A
Data Source:
Reliability:
49. ***Spaceport Operations***
Citation: 68 O.S. §1356

49. ***Spaceport Operations (Continued)***

Description (A) Sales of tangible personal property or services to any spaceport user.
(B) Sale, use, storage, consumption, or distribution of any satellite or associated launch vehicle, including components, parts and motors, imported or caused to be imported into this state for the purpose of export by means of launching into space.
(C) 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.
(D) 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.
(E) Sale, lease, use, storage, consumption, or distribution in this state of tangible personal property meeting the definition of “section 38 property” as defined in Section 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.
(F) 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.

Estimate (Sales Tax) : Zero
Data Source: Tax Commission Records
Reliability: 2

50. ***Admission Tickets Surcharge***

Citation: 68 O.S. §1356
Description: Amount of 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.

Estimate: N/A
Data Source:
Reliability:

51. ***State Parks***

Citation: 68 O.S. §1356
Description: Purchases of items used in or for the benefit of the state parks by a 501(c)(3) organization whose purpose is to support one or more state parks.

Estimate: Zero
Data Source: Tax Commission Records
Reliability: 2

52. ***Parking Privileges***
Citation: 68 O.S. §1356
Description: Sale, lease, or use of parking privileges by an institution of The Oklahoma State System of Higher Education.
Estimate: N/A
Data Source:
Reliability:
53. ***Campus Construction Projects***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property or services for use on campus construction projects for the benefit of institutions of The Oklahoma State System of Higher Education or private institutions of higher education accredited by the Oklahoma State Regents for Higher Education 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).
Estimate: N/A
Data Source:
Reliability:
54. ***School Construction Projects***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property of services for use on school construction projects for the benefit of any public school or school district when such projects are financed by or through nonprofit entities exempt from taxation pursuant to 26 U.S.C. 501(c)(3).
Estimate: N/A
Data Source:
Reliability:
55. ***National Championship Sports Event***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property or services by a nonprofit organization made in the course of conducting a national championship sports event, if a portion of the payment would qualify as the receipt of a qualified sponsorship payment.
Estimate (Sales Tax): N/A
Data Source:
Reliability:
56. ***Robotics***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property or services to or by nonprofit organizations affiliated with a comprehensive university within the

56. ***Robotics (Continued)***
 Oklahoma State System of Higher Education providing education and teachers training relating to robotics.
Estimate (Sales Tax): Minimal
Data Source: Industry Sources
Reliability: 3
57. ***Youth Athletic Teams***
Citation: **68 O.S. §1356**
Description: The first Fifteen Thousand Dollars (\$15,000.00) in sales of tangible personal property to or by youth athletic teams which are part of an organization which is exempt from taxation pursuant to 501(c)(4) of the Internal Revenue Code, which are made to raise money for the team.
Estimate (Sales Tax) : Minimal
Data Source: Tax Commission Records
Reliability: 2
58. ***Championship Event Tickets***
Citation: **68 O.S. §1356**
Description: Sales of tickets to college athletic events at venues owned or operated by a municipality or a public trust of which the municipality is the sole beneficiary which are part of a tournament to determine regional or national championships at the college or university level.
Estimate: N/A
Data Source:
Reliability:
59. ***Oklahoma City National Memorial***
Citation: **68 O.S. §1356**
Description: Sales of tangible personal property or services to or by a nonprofit organization operating the Oklahoma City National Memorial and Museum.
Estimate: N/A
Data Source:
Reliability:
60. ***Veterans' Organizations***
Citation: **68 O.S. §1356**
Description: Sales of tangible personal property or services to nonprofit veterans' organizations which furnish support to area veterans' organizations to be used for the purpose of constructing a memorial or museum.

60. ***Veterans' Organizations (Continued)***
Estimate: N/A
Data Source:
Reliability:
61. ***Public Libraries***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property or services made on or after July 1, 2003 to nonprofit organizations that are expending monies received from a private foundation grant in conjunction with expenditures of local sales tax revenue to construct a local public library.
Estimate: Zero
Data Source: Tax Commission Records
Reliability: 2
62. ***Bordering States***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property and services to bordering states or their political subdivisions but only to the extent those states afford this state and its political subdivisions the same sales tax treatment.
Estimate: N/A
Data Source:
Reliability:
63. ***Career Technology Student Organizations***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property or services to the Career Technology Student Organizations under the supervision of the Oklahoma Department of Career and Technology Education.
Estimate: Minimal
Data Source: Industry Sources
Reliability: 3
64. ***Improvements or Expansions of Hospitals or Nursing Homes***
Citation: 68 O.S. §1356
Description: Purchases made to improve or expand hospital and nursing homes owned and operated by cities, towns, counties or multiples of them or by public trusts having these units of political subdivision as their beneficiary or to organizations exempt pursuant to Section 501(c)(3) of the Internal Revenue Code, or to the contractor or subcontractor with one of the above named types of entities.
Estimate: Zero
Data Source: Tax Commission Records
Reliability: 1

65. *Specialized Facilities Serving Physically and Mentally Handicapped Persons*

Citation: 68 O.S. §1356

Description: Sales of tangible personal property and services to an organization, which assists, trains, educates, and provides housing for physically and mentally handicapped persons and which is exempt from

65. *Specialized Facilities Serving Physically and Mentally Handicapped Persons (Continued)*

taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3); and provided that the organization receives at least eighty-five percent (85%) of its annual budget from state or federal funds.

Estimate: \$27,000.00

Data Source: Tax Commission Records

Reliability: 1

66. *Neighborhood Watch Organizations*

Citation: 68 O.S. §1356

Description: The first Two Thousand Dollars (\$2,000.00) in sales yearly to, by or for the benefit of the first two thousand (2,000) neighborhood watch organizations to apply which are working directly with law enforcement.

Estimate: Minimal

Data Source: Tax Commission Records

Reliability: 2

67. *Organization Providing Services During the Day to Homeless Persons*

Citation: 68 O.S. §1356

Description: Sales of tangible personal property to an organization exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code, organized primarily for the purpose of providing services to homeless persons during the day.

Estimate: Minimal

Data Source: Industry Sources

Reliability: 3

68. *Organization Providing Funding for the Preservation and Conservation of Wetlands and Habitat for Wild Ducks and Turkeys*

Citation: 68 O.S. §1356

Description: Sales of tangible personal property or services to an organization exempt from taxation pursuant to § 501(c)(3) of the Internal Revenue Code, for sales made during an auction for the principal purpose of providing funding for the preservation of wetlands and habitat for wild ducks and turkeys.³

Estimate: Minimal

Data Source: Industry Sources

Reliability: 3

69. ***Organization which is Part of a Network of Autonomous Member Organizations***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property or services to an organization exempt from taxation pursuant to § 501(c)(3) of the Internal Revenue Code that is part of a network of community-based, autonomous member organizations that meet the following criteria:
(A) Serve people with workplace disadvantages and disabilities by providing job training and employment services, as well as job placement opportunities and post-employment support,
(B) Has locations in the United States and at least twenty (20) other countries,
(C) Collects donated clothing and household goods to sell in retail stores and provides contract labor services to business and government, and
(D) Provides documentation to the Oklahoma Tax Commission that over eighty percent (75%) of its revenues are channeled into employment, job training and placement programs and other critical community services.
Estimate: \$68,000.00
Data Source: Industry Sources
Reliability: 3
70. ***Tickets to National Basketball Association and National Hockey League Games***
Citation: 68 O.S. §1356
Description: Sales or gifts of tickets to National Basketball Association or National Hockey League Games.
Estimate: Minimal
Data Source: Industry Sources
Reliability: 3
71. ***Admission to Professional Sporting Events***
Citation: 68 O.S. §1356
Description: Admissions to professional sporting events involving ice hockey baseball, basketball, football or arena football, or soccer.
Estimate: \$691,000.00
Data Source: Industry Sources
Reliability: 3
72. ***Tickets to an Annual Event Sponsored by an Educational and Charitable Organization of Women***
Citation: 68 O.S. §1356
Description: Admissions to an annual event sponsored by an educational and charitable organization of women, exempt from taxation pursuant to 501 (c)(3) of the Internal Revenue Code which promotes volunteerism, developing the potential of women and improving the community through the effective action and leadership of trained volunteers.

72. ***Tickets to an Annual Event Sponsored by an Educational and Charitable Organization of Women (Continued)***
Estimate: N/A
Data Source:
Reliability:
73. ***Community Mental Health Center***
Citation: 68 O.S. § 1356
Description: Sales of tangible personal property or services to any community mental health center as defined in 43A O.S. §3-302.
Estimate: \$418,000.00
Data Source: Industry Sources
Reliability: 3
74. ***Community Health Charities Member Organizations***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property or services to an organization 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. Such organization must itself be a member of a tax-exempt organization that 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. In order to qualify for the exemption, the member nonprofit organization shall be required to provide proof to the Oklahoma Tax Commission of its membership status in the membership organization
Estimate: \$82,000.00
Data Source: Industry Sources
Reliability: 3
75. ***National Volunteer Women’s Service Organization***
Citation: 68 O.S. §1356
Description: 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 one hundred sixty-eight thousand (168,000) members in three thousand (3,000) chapters across the United States.
Estimate: Minimal
Data Source: Industry Sources
Reliability: 3

76. ***YMCA OR YWCA***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property or services to or by a YMCA or YWCA organization.
Estimate: \$282,000.00
Data Source: Industry Sources
Reliability: 3
77. ***Veterans of Foreign Wars***
Citation: 68 O.S. §1356
Description: Sales of tangible personal property or services to or by the Veterans of Foreign Wars (VFW) organization, Oklahoma chapters.
Estimate: \$29,000.00
Data Source: Industry Sources
Reliability: 3
78. ***Food Boxes Containing Edible Staple Food Items***
Citation: 68 O.S. §1356
Description: Sales of boxes containing edible staple food items when the boxes are sold by churches or by organizations that are exempt pursuant to 26 U.S.C., Section 501(c)(3) where the organization was organized for the primary purpose of feeding needy persons or to encourage volunteer service.
Estimate: N/A
Reliability:
79. ***Contractors and Subcontractors with Churches***
Citation: 68 O.S. §1356
Description: Purchases of tangible personal property and services by persons with whom a church has duly entered into a construction contract or to a subcontractor to that contract.
Estimate: N/A
Data Source:
Reliability:
80. ***Organizations providing training and education to developmentally disabled individuals***
Citation: 68 O.S. §1356
Description: Provides a sales tax exemption for sales of tangible personal property or services used exclusively for charitable, educational or religious purposes, to or by an organization which is exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code and has a Not-for-Profit Certificate of Incorporation in Oklahoma, organized for the purpose of providing training and education to developmentally disabled individuals; educating the community about the rights, abilities and strengths of developmentally disabled individuals; and promoting unity among developmentally disabled individuals in their community and geographic area.

80. ***Organizations providing training and education to developmentally disabled individuals (Continued)***
Estimate: Minimal
Data Source: Industry Sources
Reliability: 3
81. ***Shelters for abused, neglected, or abandoned children***
Citation: 68 O.S. §1356
Description: Provides an exemption from sales tax on sales of tangible personal property or services to an organization exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code, which is a shelter for abused, neglected, or abandoned children from birth to age twelve.⁴
Estimate: Minimal
Data Source: Industry Sources
Reliability: 3
82. ***Child care centers possessing a 3-star rating***
Citation: 68 O.S. §1356
Description: Provides an exemption for sales of tangible personal property or services to child care centers possessing a 3-star rating with the Department of Human Services and providing on-site universal pre-kindergarten education to four-year-old children through a contractual relationship with a public school.
Estimate: Minimal
Data Source: Industry Sources
Reliability: 3
83. ***Blue Star Mothers of America, Inc.***
Citation:
Description: Provides an exemption for sales of tangible personal property to the exempt 501(c)(3) service organization known as the Blue Star Mothers of America, Inc. which sends personal property to United States Military personnel overseas who are serving in a combat zone.
Estimate: Zero
Data Source: Tax Commission Records
Reliability: 1
84. ***Local Public or Private School Foundations***
Citation: 68 O.S. § 1356
Description: Exempts until July 1, 2014, sales of tangible personal property by or to 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.
Estimate: **Effective July 1, 2009**

84. *Local Public or Private School Foundations (Continued)*
Data Source:
Reliability:
85. *Organizations Providing Funds for Medical Scholarships*
Citation: 68 O.S. § 1356
Description: Sales of food and snack items to or by an organization exempt from taxation pursuant to 26 U.S.C. § 501 (c)(3) whose primary purpose is providing funds for scholarships in the medical field.
Estimate: Effective July 1, 2009
Data Source:
Reliability:
86. *Construction Projects for Entities Providing End-Of-Life Care and Hospice Services*
Citation: 68 O.S. § 1356
Description: Exempts sales of tangible personal property and services for use solely on construction projects for organizations exempt from taxation under 26 U.S.C. § 501(c)(3) and whose purpose is to provide end-of-life care and access to hospice services to low-income individuals who live in a facility owned by the organization. The measure extends the exemption to sales to any person, including contractors and subcontractors, with whom such organization has duly entered into a construction contract, necessary for carrying out such contract.
Estimate: Effective July 1, 2009
Data Source:
Reliability:
87. *Event Admissions Sales by Organizations Supporting General Hospitals*
Citation: 68 O.S. §1356
Description: Exempts sales of admission tickets to events held by organizations exempt from taxation pursuant to 26 U.S.C. § 501(c)(3) that are organized for the purpose of supporting general hospitals licensed by the Oklahoma Department of Health.
Estimate: Effective July 1, 2009
Data Source:
Reliability:
88. *Nonprofit Foundation Raising Contributions in Support of Activities of the NRA and Similar Organizations*
Citation: 68 O.S. §1356
Description: Exempts the sale of property to a nonprofit foundation 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 the Second

88. ***Nonprofit Foundation Raising Contributions in Support of Activities of the NRA and Similar Organizations (Continued)***

Amendment and also exempts sales of property to or by grassroots fund raising programs for sales related to events to raise funds for the referenced foundation.

Estimate: **Effective July 1, 2009**

Data Source:

Reliability:

89. ***Transportation of School Pupils***

Citation: **68 O.S. §1357**

Description: Transportation of school pupils to and from elementary schools or high schools.

Estimate (Sales Tax) : Zero

Data Source: OU/OSU Group

Reliability: 3

90. ***Local Transportation***

Citation: **68 O.S. §1357**

Description: Transportation of persons where the fare does not exceed One Dollar (\$1.00) or local transportation within the corporate limits of a municipality except by taxicabs.

Estimate (Sales Tax) : \$237,000.00

Data Source: OU/OSU Group

Reliability: 3

91. ***Sales for Resale***

Citation: **68 O.S. §1357**

Description: Sales for resale to persons engaged in the business of reselling the articles purchased and who have been issued sales tax permits by the Oklahoma Tax Commission.

Estimate (Sales Tax) : \$1,493,000,000

Data Source: Sales Tax Returns

Reliability: 2

92. ***Sales of Certain Types of Advertising***

Citation: **68 O.S. §1357**

Description: Sales of advertising space in newspapers, periodicals, programs relating to sporting and entertainment events, on billboards (including signage, posters, panels, marquees, or on other similar surfaces, whether indoors or outdoors), or programs relating to sporting and entertainment events, and sales of any advertising displayed at a sporting event by way of the Internet, electronic display devices, or through public address or broadcast systems, and any advertising via the Internet, electronic display devices, electronic media, including radio, public address or broadcast

92. ***Sales of Certain Types of Advertising (Continued)***
 systems, television (whether through closed circuit broadcasting systems or otherwise), and cable and satellite television, and the servicing of any advertising devices.
Estimate (Sales Tax) : \$46,794,000.00
Data Source: OU/OSU Group
Reliability: 3
93. ***Terrestrial or Aquatic Animal Life Supplies***
Citation: 68 O.S. §1357
Description: Eggs, feed, supplies, machinery and equipment purchased by persons regularly engaged in the business of raising worms, fish or insects.
Estimate (Sales Tax) : Minimal
Data Source: OU/OSU Group
Reliability: 3
94. ***Utilities for Residential Use***
Citation: 68 O.S. §1357
Description: Sale of natural or artificial gas and electricity when sold exclusively for residential use.
Estimate (Sales Tax): \$99,592,000.00
Data Source: OU/OSU Group
Reliability: 3
95. ***Drugs***
Citation: 68 O.S. §1357
Description: Sales of drugs, except for over-the-counter drugs, prescribed for the treatment of human beings by a person licensed to prescribe the drugs and sales of insulin and medical oxygen.
Estimate (Sales Tax) : \$60,967,000.00
Data Source: OU/OSU Group
Reliability: 3
96. ***Oil or Chemical Drums***
Citation: 68 O.S. §1357
Description: Sales of returnable oil and chemical drums to any person not in the business of reselling returnable oil drums.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
97. ***Utensils Sold to Vendors***
Citation: 68 O.S. §1357
Description: Sales of one-way utensils, paper napkins, cups and disposable containers to a vendor of meals or beverages.
Estimate (Sales Tax) : Minimal

97. ***Utensils Sold to Vendors (Continued)***
Data Source: OU/OSU Group
Reliability: 3
98. ***Federal Food Stamp Program***
Citation: 68 O.S. §1357
Description: Sales of food or food products for home consumption which are purchased in whole or in part with federal food stamp coupons.
Estimate (Sales Tax) : \$20,731,000.00
Data Source: OU/OSU Group
Reliability: 3
99. ***Meals on Wheels***
Citation: 68 O.S. §1357
Description: Sales of food, food products or equipment and supplies to or by organizations commonly known as “Meals on Wheels” or “Mobile Meals”, or nonprofit corporations which receive funding pursuant to the Older Americans Act of 1965, and other exempt organizations distributing food.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
100. ***Collection and Distribution of Food to the Needy***
Citation: 68 O.S. §1357
Description: Sales to or by non-profit organizations which are exempt from tax under the provisions of 501(c)(3) of the Internal Revenue Code which are primarily engaged in the collection and distribution of food and household products and which facilitate the distribution of them to the needy.
Estimate: N/A
Data Source:
Reliability:
101. ***Children’s Homes***
Citation: 68 O.S. §1357
Description: Sales of tangible personal property or services to children’s homes which are located on church-owned property and are operated by organizations, exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., §501(c)(3).
Estimate (Sales Tax) : \$77,000.00
Data Source: OU/OSU /Group
Reliability: 3
102. ***Aircraft Maintenance Facility***
Citation: 68 O.S. §1357

102. ***Aircraft Maintenance Facility (Continued)***
Description: Sales of computers, data processing equipment, related peripherals and telephone, telegraph or telecommunications service and equipment for use in a qualified aircraft maintenance or manufacturing facility. Further, sales of property consumed in the construction or expansion of a qualified aircraft maintenance or manufacturing facility.
Estimate (Sales Tax) : Zero
Data Source: Tax Commission Records
Reliability: 1
103. ***Certain Telecommunications Services***
Citation: 68 O.S. §1357
Description: Sales of interstate and international 800, 900 and private communications services, value-added nonvoice data service, interstate and international telecommunications service which is rendered by a company for private use within its organization or used or distributed by a company to its affiliated group, regulatory assessments and telecommunication nonrecurring charges including installation, connection, change or initiation of telecommunications services which are not associated with a retail consumer sale.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
104. ***Railroad Track Spikes***
Citation: 68 O.S. §1357
Description: Sales of railroad track spikes manufactured and sold for use in this state.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
105. ***Aircraft and Aircraft Parts***
Citation: 68 O.S. §1357
Description: Sales of aircraft engine repairs and aircraft parts; at a qualified aircraft maintenance facility.
Estimate (Sales Tax) : Zero
Data Source: Tax Commission Records
Reliability: 2
106. ***Computer Services and Data Processing***
Citation: 68 O.S. §1357
Description: Sales of machinery and equipment purchased and used by qualifying persons and establishments primarily engaged in computer services and data processing.

106. ***Computer Services and Data Processing (Continued)***
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
107. ***Prosthetic Devices***
Citation: 68 O.S. §1357
Description: Sales of prosthetic devices to individual for their own use.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
108. ***Motion Picture and Television Production Companies***
Citation: 68 O.S. §1357
Description: Sales of property or services to a motion picture or television production company to be used or consumed in connection with an eligible production.
Estimate (Sales Tax) : \$57,000
Data Source: Tax Commission Records
Reliability: 2
109. ***Diesel Fuel***
Citation: 68 O.S. §1357
Description: Diesel fuel sold for use by commercial vessels, barges, and other commercial watercraft.
Estimate (Sales Tax) : N/A
Date Source:
Reliability:
110. ***Biomedical Research Foundations***
Citation: 68 O.S. §1357
Description: Sales of property and services to tax-exempt, independent, nonprofit biomedical research foundations and community blood banks.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
111. ***Wireless Telecommunication Equipment***
Citation: 68 O.S. §1357
Description: Wireless telecommunications equipment used as part of a promotional package.
Estimate (Sales Tax) : N/A
Date Source:
Reliability:

112. ***Rail Transportation Cars***
Citation: 68 O.S. §1357
Description: Leases of rail transportation cars used to transport coal to plants in this state that generate electricity.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
113. ***Aircraft Repair and Modification***
Citation: 68 O.S. §1357
Description: Sales of aircraft engine repairs, modification, and replacement parts, sales of aircraft frame repairs and modification, aircraft interior modification, and paint, and sales of services used in the repair, modification and replacement of parts of aircraft engines, aircraft frame and interior repair and modification, and paint.
Estimate (Sales Tax) : \$2,200,000.00
Data Source: Tax Commission Records
Reliability: 2
114. ***Ship Motor Vessel or Barge***
Citation: 68 O.S. §1357
Description: Sales of materials and supplies to the owner or operator of a ship, motor vessel or barge that is used in interstate or international commerce.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
115. ***Estate Sales***
Citation: 68 O.S. §1357
Description: Estate sales if:
(A) Sale is held at decedent's residence.
(B) Sale is held for a period of three (3) consecutive days or less.
(C) Sale is held within six (6) months of the date of death.
(D) Goods sold must be part of the estate of the decedent.
(E) Sale must not be held by someone who is required to hold a sales tax permit or a Transient Merchant License.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
116. ***Electricity Used in Oil De-watering Projects***
Citation: 68 O.S. §1357
Description: Electricity used by an oil and gas operator for reservoir de-watering projects.
Estimate (Sales Tax) : N/A

116. *Electricity Used in Oil De-watering Projects (Continued)*
Data Source:
Reliability:
117. *Prewritten Computer Software*
Citation: 68 O.S. §1357
Description: Sales of prewritten computer software that is delivered electronically.
Estimate: N/A
Data Source:
Reliability:
118. *Modular Dwelling Units*
Citation: 68 O.S. §1357
Description: Forty-five percent (45%) of the total sales price of sales of certain modular dwelling units.
Estimate: N/A
Data Source:
Reliability:
119. *Disabled Veterans in Receipt of Compensation at the One Hundred Percent Rate*
Citation: 68 O.S. §1357
Description: Sales of tangible personal property or services not to exceed Twenty-Five Thousand Dollars (\$25,000.00) per year to persons who have been honorably discharged from active service in any branch of the Armed Forces of the United States or Oklahoma National Guard with certification from the United States Department of Veterans Affairs or its successor certifying such veteran is receiving compensation at the rate of one hundred percent (100%) and has a permanent disability sustained through military action or accident or resulting from a disease contracted while in such active service; including sales for the benefit of disabled veterans to a spouse or to a member of the household in which the veteran resides and who is authorized to make purchases on the veteran's behalf, when such veteran is not present at the sale.
Estimate: \$12,178,000.00
Data Source: Tax Commission Records
Reliability: 2
120. *Enhanced Recovery Methods*
Citation: 68 O.S. §1357
Description: Sales of electricity that are used in enhanced recovery methods of oil production.
Estimate: \$1,694,000.00
Data Source: Industry Sources
Reliability: 3

121. ***Intrastate Charter and Tour Bus Transportation***
Citation: 68 O.S. §1357
Description: The sale of intrastate charter and tour bus transportation.
Estimate: N/A
Data Source:
Reliability:
122. ***Vitamins, Minerals and Dietary Supplements by a Licensed Chiropractor***
Citation: 68 O.S. §1357
Description: Sales of vitamins, minerals and dietary supplements by a licensed chiropractor to his/her patient.
Estimate (Sales Tax) : \$48,000.00
Data Source: Industry Sources
Reliability: 3
123. ***Web Search Portals***
Citation: 68 O.S. § 1357
Description: Sales of goods, ware, merchandise, tangible personal property, machinery and equipment to a web search portal located in this state.
Estimate: N/A
Data Source:
Reliability:
124. ***Contractors and Subcontractors with Rural Electric Cooperatives***
Citation: 68 O.S. §1357
Description: Purchases of tangible personal property made by contractors and subcontractors with rural electric cooperatives which is consumed or incorporated in the construction or expansion of a facility.
Estimate: N/A
Data Source:
Reliability:
125. ***Businesses Engaged in Repair of Electronic Goods***
Citation: 68 O.S. § 1357
Description: Sales of tangible personal property or services to businesses primarily engaged in the repair of consumer electronic goods i.e., cell phones, compact disc players, personal computers etc., which are sold by the original manufacturer to the businesses where the goods are repaired, refitted, or refurbished for sale to retail consumers or to other businesses for subsequent sale to retail consumers.
Estimate: Zero
Data Source: Tax Commission Records
Reliability: 2

126. ***Rolling Stock***
Citation: 68 O.S. §1357
Description: Exempts until July 1, 2014, sales of rolling stock–locomotives, autocars, and railroad cars–when sold or leased by the manufacturer.
Estimate: Effective July 1, 2009
Data Source:
Reliability:
127. ***Drugs and Medical Devices***
Citation: 68 O.S. §1357.6
Description: Sales of drugs for the treatment of human beings, medical appliances, devices or equipment including prosthetic devices, durable medical equipment and mobility enhancing equipment when administered or distributed by an authorized practitioner or when purchased or leased by or on behalf of any individual for their use under a prescription or work order of an authorized practitioner and when the cost of such items is reimbursable under the Medicare or Medicaid Program.
Estimate (Sales Tax) : \$14,846,000.00
Data Source: OU/OSU Group
Reliability: 3
128. ***Horses***
Citation: 68 O.S. §1357.7
Description: Sales of horses.
Estimate (Sales Tax) : \$1,472,000.00
Data Source: OU/OSU Group
Reliability: 3
129. ***Related Entities***
Citation: 68 O.S. §1357.9
Description: Sales of services between related entities, applies to services that become taxable after July 1, 2003.
Estimate: Zero
Date Source: Tax Commission Records
Reliability: 1
130. ***Sales Tax Holiday***
Citation: 68 O.S. § 1357.10
Description: Provides for a sales tax exemption for the sale of clothing or footwear designed to be worn on or about the body if the sales price is \$100 or less and the sale takes place during the period beginning at 12:01 am the first Friday in August and ending at 12 midnight on the following Sunday. The exemption shall be for sales taxes levied by the state, cities, counties, and authorities. The city and county

130. *Sales Tax Holiday (Continued)*

taxes will be reimbursed to the cities and the counties from other state sales tax revenues.

Estimate: \$6,403,000.00

Data Source: Tax Commission Records

Reliability: 2

131. *Agricultural Sales*

Citation: **68 O.S. §1358**

Description: (A) Sales of agricultural products sold directly at or from a farm.
(B) Sales of livestock.
(C) Sales of baby chicks, turkey poults and starter pullets used in commercial production.
(D) Sales of animal feed.
(E) Sales of items to be used in production of agricultural products.
(F) Sales of farm machinery.
(G) Sales of supplies, machinery and equipment to persons raising evergreen trees.
(H) Sales to an agricultural permit holder or to any person the permit holder has contracted to construct livestock facilities.

Estimate (Sales Tax): \$63,905,000.00

Data Source: Sales Tax Returns

Reliability: 2

132. *Sales to Manufacturers*

Citation: **68 O.S. §1359**

Description: (A) Sales of property to a manufacturer for use in a manufacturing operation.
(B) Ethyl alcohol when sold and used for the purpose of blending with motor fuel.
(C) Sales of containers.
(D) Sales of returnable soft drink, beer and water containers.
(E) Sales of property by a manufacturer for immediate exportation out of the state.
(F) Machinery and supplies sold for use in reducing the harmful properties of hazardous waste.
(G) Sales of property to a “qualified manufacturer.”
(H) Sales of property purchased and used by a licensed radio or television station in broadcasting.
(I) Sales of property purchased and used by a licensed cable television operator in cable casting.
(J) Sales of packaging materials.
(K) Sales of any pattern used in the process of manufacturing iron, steel or other metal castings.
(L) Deposits made and which are subsequently refunded for returnable containers used to transport cement.

132. ***Sales to Manufacturers (Continued)***
 (M) Machinery, electricity, fuels, explosives, and materials used in the mining of coals.
 (N) Deposits made for returnable cartons, crates, pallets, and containers used to transport mushrooms from a farm for resale.
 (O) Purchases of construction materials used to build new or expanded qualified wholesale grocery distribution facilities.
 (P) Sales of tangible personal property and services used or consumed in all phases of the extraction and manufacturing of crushed stone and sand.
Estimate (Sales Tax) : \$1,623,110,000.00
Data Source: OU/OSU Group
Reliability: 3
133. ***Sales to Corporations, Partnerships, or Limited Liability Companies***
Citation: 68 O.S. §1360
Description: Sales between corporations, partnerships, or limited liability companies pursuant to a merger, reorganization, or dissolution.
Estimate (Sales Tax) : N/A
Data Source:
Reliability:
134. ***Donations***
Citation: 68 O.S. §1362
Description: Items that are withdrawn from inventory for donation to persons affected by the tornadoes of May 8 or 9, 2003.
Estimate: Zero
Data Source: Industry Sources
Reliability: 3
135. ***Bad Debt Credit***
Citation: 68 O.S. §1366
Description: Credit allowed for taxes paid on gross receipts subsequently determined to be worthless or uncollectible.
Estimate (Sales Tax): \$480,000.00
Data Source: Tax Commission Records
Reliability: 2
136. ***Out-of-State Tax Credit***
Citation: 68 O.S. §1404
Description: Credit allowed for tax paid on an article of tangible personal property to another state by the person using such tangible personal property in this state.
Estimate: \$1,415,000.00
Data Source: OU/OSU Group
Reliability: 3

137. ***Machinery and Equipment Used in Manufacturing***
Citation: 68 O.S. §1404
Description: Use of machinery and equipment purchased and used by persons establishing new or operating manufacturing plants.
Estimate (Use Tax): \$3,897,000.00
Data Source: OU/OSU Group
Reliability: 3
138. ***Commercial Airlines or Railroads***
Citation: 68 O.S. §1404
Description: Use of tangible personal property used or to be used by commercial airlines or railroads.
Estimate (Use Tax): \$45,706,000.00
Data Source: OU/OSU Group
Reliability: 3
139. ***Livestock Purchased Outside the State***
Citation: 68 O.S. §1404
Description: Livestock purchased outside this state and brought into this state for feeding or breeding purposes, and which is later resold.
Estimate (Use Tax) : \$48,049,000.00
Data Source: OU/OSU Group
Reliability: 3
140. ***Rail Transportation Cars***
Citation: 68 O.S. §1404
Description: Leases of rail transportation cars used to transport coal to plants in this state that generate electricity.
Estimate (Use Tax) : N/A
Data Source:
Reliability:
141. ***Bad Debt Credit***
Citation: 68. O.S. §1407.1
Description: Credit allowed for taxes paid on gross receipts pursuant to §§1406 and 1407 of the Use Tax Code and subsequently determined to be worthless or uncollectible.
Estimate (Use Tax) : \$212,000.00
Data Source: Tax Commission Records
Reliability: 2
142. ***Sales Tax Credit for Tourism Attraction Operators***
Citation: 68 O.S. §2357.40
Description: Sales tax credit on approved costs of a company operating an approved tourism project.
Estimate (Sales Tax) : Zero

142. *Sales Tax Credit for Tourism Attraction Operators (Continued)*
Data Source: Tax Commission Records
Reliability: 1
143. *Computer Services*
Citation: **68 O.S. §54003**
Description: Sales of computers, data processing equipment, telecommunications service and equipment, and related peripherals to a qualified purchaser engaged in computer services, data processing or research and development.
Estimate (Use Tax) : Zero
Data Source: Tax Commission Records
Reliability: 1
144. *Oklahoma Administrative Code*
Citation: **75 O.S. §256**
Description: Sale or resale of “Oklahoma Administrative Code” by Secretary of State.
Estimate (Sales Tax) : Minimal
Data Source: Oklahoma Secretary of State
Reliability: 2
146. *Irrigation Districts*
Citation: **82 O.S. §277.17**
Description: All purchases or use of tangible personal property by irrigation districts.
Estimate (Sales Tax) : \$37,000.00
Estimate (Use Tax) : N/A
Data Source: OU/OSU Group
Reliability: 3
147. *Conservancy Districts*
Citation: **82 O.S. §688.1**
Description: All purchases of property by conservancy districts and master conservancy districts.
Estimate (Sales Tax) : N/A
Estimate (Use Tax) : N/A
Data Source:
Reliability:
148. *Regional Water Districts*
Citation: **82 O.S. §1274**
Description: All purchases of property by regional water districts.
Estimate (Sales Tax) : N/A
Estimate (Use Tax) : N/A
Data Source:
Reliability:

149. ***Rural Water, Sewer, Gas and Solid Waste Management Districts***

Citation: 82 O.S. §1324.22

Description: All purchases of property by rural water, sewer, gas, and solid waste management districts.

Estimate (Sales Tax): N/A

Estimate (Use Tax): N/A

Data Source:

Reliability:

Ad Valorem Tax

Although previously included in Tax Expenditure Reports issued by the Tax Commission, ad valorem tax is a local revenue source and, as such, state revenues are not affected by the imposition of exclusions, exemptions, deductions, credits, deferrals, or other preferential tax treatment for purposes of ad valorem taxation. Therefore, a review of ad valorem tax expenditures is omitted from this report.

Motor Vehicle Registration Fee

1. ***Abandoned Vehicles Auctioned by Class AA Wreckers***
Citation: 42 O.S. §91.1
Description: Vehicles upon which fees are imposed by the state from prior ownership of the vehicle when Class AA wreckers are performing an abandoned vehicle auction.
Estimate: Minimal
Data Source: Tax Commission Records
Reliability: 2

2. ***Road Construction Vehicles***
Citation: 47 O.S. §14-118
Description: Rubber-tired road construction vehicles and special mobilized machinery.
Estimate: N/A
Data Source:
Reliability:

3. ***Donated Vehicles***
Citation: 47 O.S. §1115
Description: Vehicles donated to nonprofit charitable organizations.
Estimate: Minimal
Data Source: Tax Commission Records
Reliability: 2

4. ***Military Personnel Vehicles***
Citation: 47 O.S. §1127
Description: Vehicles owned by members of the Armed Forces of the United States assigned to duty in this state or owned by their spouses, who reside in Oklahoma. The special registration also applies to Oklahoma residents who are members of the Armed Forces and stationed out of state.
Estimate: \$1,157,668.00
Data Source: Motor Vehicle Registrations
Reliability: 2

5. ***Special Mobilized Machinery***
Citation: 47 O.S. §1129
Description: Special purpose machines which derive no revenue from the transportation of persons or property and whose useful revenue-producing service is performed at destinations away from public highways.
Estimate: N/A
Data Source:
Reliability:

6. ***Vehicle Replacement Credit***
Citation: 47 O.S. §1132
Description: Credit allowed with respect to the fee for registration of a new vehicle which is a replacement for a stolen or defective new original vehicle.
Estimate: Minimal
Data Source: Motor Vehicle Registrations
Reliability: 2
7. ***Destroyed Vehicles***
Citation: 47 O.S. §1132.3
Description: Vehicles destroyed during the May 8 or 9, 2003 tornado. A credit for any remaining months of registration will apply to the registration fees of a replacement vehicle.
Estimate: Minimal
Data Source: Tax Commission Records
Reliability: 2
8. ***Farm Vehicles***
Citation: 47 O.S. §1134
Description: Pickup, truck or truck-tractor owned and operated by a farmer and used primarily for farm use.
Estimate: \$2,726,255.00
Data Source: Motor Vehicle Registration
Reliability: 2
9. ***Taxicabs and Privately Owned School Buses***
Citation: 47 O.S. §1134.1
Description: Special registration fees for taxicabs and privately-owned school buses used for transporting school children.
Estimate: \$26,767.00
Data Source: Motor Vehicle Registration
Reliability: 2
10. ***Forestry Vehicles***
Citation: 47 O.S. §1134.2
Description: Vehicles used for transporting unfinished forest products from point of harvest to the point of first processing.
Estimate: N/A
Data Source:
Reliability:
11. ***Political Subdivision Vehicles***
Citation: 47 O.S. §1135.1
Description: Vehicles owned by any political subdivision of this state.
Estimate: \$126,913.00

11. ***Political Subdivision Vehicles (Continued)***
Data Source: Motor Vehicle Registrations
Reliability: 2
12. ***Vehicles Owned by a Religious Corporation or Society***
Citation: 47 O.S. §1135.1
Description: Motor bus, manufactured home, or mobile chapel and power unit owned and operated by a religious corporation or society.
Estimate: \$205,628.00
Data Source: Motor Vehicle Registrations
Reliability: 2
13. ***Youth Program Vehicles***
Citation: 47 O.S. §1135.1
Description: Vehicles owned or operated by nonprofit organizations devoted exclusively to youth groups.
Estimate: \$41,755.00
Data Source: Motor Vehicle Registrations
Reliability: 2
14. ***Vehicles Used for the Employment of the Handicapped***
Citation: 47 O.S. §1135.1
Description: Vehicles owned or operated by nonprofit organizations actually involved in programs for the employment of the handicapped.
Estimate: \$22,718.00
Data Source: Motor Vehicle Registrations
Reliability: 2
15. ***Transportation for Older Persons***
Citation: 47 O.S. §1135.1
Description: Vehicles owned and operated by a nonprofit organization that provides older persons transportation to and from medical, dental and religious services and relief from business and social isolation.
Estimate: \$72,272.00
Data Source: Motor Vehicle Registrations
Reliability: 2
16. ***Transportation of Surplus Food***
Citation: 47 O.S. §1135.1
Description: Vehicles owned and operated by a private nonprofit organization used for the transportation of surplus foods.
Estimate: Minimal
Data Source: Motor Vehicle Registrations
Reliability: 2

17. ***Fraternal or Civic Service Organization Vehicles***
Citation: 47 O.S. §1135.1
Description: Any vehicle owned by a fraternal or civic service organization with at least one hundred (100) local chapters or clubs, and used to provide mobile health screening services to the general public at no cost to the recipient.
Estimate: N/A
Data Source:
Reliability:
18. ***Fire Department Vehicles***
Citation: 47 O.S. §1113
Description: Vehicles owned and operated by a charitable corporation which provides a volunteer or full-time fire department.
Estimate: Minimal
Data Source: Motor Vehicle Registrations
Reliability: 2
19. ***Prisoner of War Vehicles***
Citation: 47 O.S. §1135.2
Description: Vehicles owned by members of the Armed Forces or civilians who were former prisoners of war held by a foreign country.
Estimate: \$26,787.00
Data Source: Motor Vehicle Registrations
Reliability: 2
20. ***Physically Disabled Vehicles***
Citation: 47 O.S. §1135.1
Description: Vehicles which have been modified because of the physical disability of the owner or of a family member within the second degree of consanguinity of the owner.
Estimate: \$99,445.00
Data Source: Motor Vehicle Registrations.
Reliability: 2
21. ***Disabled Veterans' Vehicles***
Citation: 47 O.S. §1135.2
Description: Vehicles owned by veterans of the Armed Forces of the United States that have a service-connected disability rating of fifty percent (50%) or more.
Estimate: \$1,515,095.00
Data Source: Motor Vehicle Registrations
Reliability: 2
22. ***Congressional Medal of Honor Recipient Vehicles***
Citation: 47 O.S. §1135.2

22. ***Congressional Medal of Honor Recipient Vehicles (Continued)***
Description: Vehicles owned by residents of this state who have been awarded the Congressional Medal of Honor.
Estimate: Minimal
Data Source: Motor Vehicle Registrations
Reliability: 2
23. ***Indian Tribal Vehicles***
Citation: 47 O.S. §1135.1
Description: Vehicles owned by a Native American Indian Tribal Association and used for the furtherance of its tribal functions.
Estimate: \$51,492.00
Data Source: Motor Vehicle Registrations
Reliability: 2
24. ***Antique or Classic Vehicles***
Citation: 47 O.S. §1135.1
Description: Vehicles twenty-five (25) years of age or older which travel on the highways for historical or exhibition purposes only.
Estimate: \$120,228.00
Data Source: Motor Vehicle Registrations
Reliability: 2
25. ***Killed in Action Vehicles***
Citation: 47 O.S. §1135.2
Description: Vehicles owned by the spouse of a member of the Armed Forces who was killed in action.
Estimate: Minimal
Data Source: Motor Vehicle Registrations
Reliability: 2
26. ***Gold Star Parents' Vehicles***
Citation: 47 O.S. §1135.2
Description: Vehicles owned by parents of a member of the United States Armed Forces who was killed during a war.
Estimate: Minimal
Data Source: Motor Vehicle Registration
Reliability: 2
27. ***Former Military Vehicles***
Citation: 47 O.S. §1136.2
Description: Former military vehicles used only for exhibitions, club activities, parades, and other functions of public interest and not used for regular transportation.
Estimate: Minimal
Reliability: 2

28. ***Rural Water or Sewer District Vehicles***

Citation: 68 O.S. §2903

Description: Vehicles owned by any rural water or sewer district.

Estimate: \$21,071.00

Data Source: Motor Vehicle Registration

Reliability: 2

29. ***Conservancy District Vehicles***

Citation: 82 O.S. §688.1

Description: Vehicles owned by conservancy districts and master conservancy districts.

Estimate: Minimal

Data Source: Motor Vehicle Registration

Reliability: 2

Motor Vehicle Excise Tax

1. *Donated Vehicles*

Citation: 47 O.S. §1115
Description: Vehicles donated to nonprofit charitable organizations.
Estimate: Minimal
Data Source: Tax Commission Records
Reliability: 2

2. *Prorate Vehicle Excise Tax*

Citation: 68 O.S. §2103
Description: Trucks or truck-tractors registered with the state under the International Registration Plan (IRP) for a laden weight or combined laden weight of 54,001 pounds or more. Also includes trailers or semitrailers registered under the Plan.
Estimate: \$63,516,288.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 1

3. *Marital and Parental Transfers*

Citation: 68 O.S. §2103
Description: Transfers of a motor vehicle without consideration between a husband and wife or parent and child.
Estimate: \$15,263,954.00
Data Source: Motor Vehicles Excise Tax Receipts
Reliability: 2

4. *Transfers to a Trust*

Citation: 68 O.S. §2103
Description: Transfers of a motor vehicle without consideration between an individual and an express trust with right of revocation.
Estimate: \$1,402,246.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 2

5. *Replacement Vehicles*

Citation: 68 O.S. §2103
Description: Credit allowed with respect to excise tax paid for a new vehicle which is a replacement for a stolen or defective new original vehicle.
Estimate: Minimal
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 2

6. ***Destroyed Vehicles***
Citation: 68 O.S. §2103.1
Description: Vehicles destroyed during the May 8 or 9, 2003 tornado, on which vehicle excise tax was paid on or after May 8 or 9, 2002. The allowed credit will apply to the excise tax liability of a replacement vehicle.
Estimate: N/A
Data Source: Tax Commission Records
Reliability: 2
7. ***Nonresident Person***
Citation: 68 O.S. §2105
Description: Vehicle owned by a nonresident person who operates principally in some other state but who is in Oklahoma only occasionally.
Estimate: N/A
Data Source:
Reliability:
8. ***New Resident***
Citation: 68 O.S. §2105
Description: Vehicle brought into this state by a person formerly living in another state who has owned the vehicle at least sixty (60) days prior to first registration in this state.
Estimate: \$13,867,224.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 2
9. ***Political Subdivision Vehicles***
Citation: 68 O.S. §2105
Description: Vehicles registered by state or local governments or certain fire departments and those with whom they have executed a lease or lease purchase agreement.
Estimate: \$1,663,468.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 2
10. ***Inherited Vehicles***
Citation: 68 O.S. §2105
Description: Vehicles, the legal ownership of which was obtained by the owner through inheritance.
Estimate: \$457,040.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 2
11. ***Used Motor Vehicle Dealers***
Citation: 68 O.S. §2105

11. ***Used Motor Vehicle Dealers (Continued)***
Description: Vehicles which are owned and being offered for sale by a licensed used motor vehicle dealer.
Estimate: \$70,725,758.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 2
12. ***Out-of-State Motor Vehicle Dealers***
Citation: 68 O.S. §2105
Description: Vehicles purchased by a dealer licensed in another state for use or resale in another state.
Estimate: N/A
Data Source:
Reliability:
13. ***Foreclosure Vehicles***
Citation: 68 O.S. §2105
Description: Vehicles, the ownership of which was obtained by the lienholder or mortgagee under or by a foreclosure of a lien or mortgage.
Estimate: \$5,034,926.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 2
14. ***Vehicles Taxed under Ad Valorem Tax Code***
Citation: 68 O.S. §2105
Description: Vehicles which are taxed under the Ad Valorem Tax Code.
Estimate: \$10,667,156.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 2
15. ***Corporate, Partnership, or Limited Liability Company Vehicles***
Citation: 68 O.S. §2105
Description: Vehicles transferred pursuant to the formation or dissolution of a corporation, partnership, or limited liability company.
Estimate: \$296,288.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 2
16. ***Rental Vehicles***
Citation: 68 O.S. §2105
Description: Vehicles purchased by a person to be used by a business engaged in renting motor vehicles without a driver.
Estimate: \$6,369,404.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 2

17. ***Motor Vehicle Dealer***
Citation: 68 O.S. §2105
Description: Vehicles of the latest manufactured model transferred to a licensed motor vehicle dealer.
Estimate: \$830,158.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 2
18. ***Lease Vehicle***
Citation: 68 O.S. §2105
Description: A leased vehicle which is transferred to the lessee.
Estimate: \$252,160.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 2
19. ***Fraternal or Civic Service Organization***
Citation: 68 O.S. §2105
Description: Any vehicle owned by a fraternal or civic service organization with at least one hundred (100) local chapters or clubs, and used to provide mobile health screening services to the general public at no cost to the recipient.
Estimate: N/A
Data Source:
Reliability:
20. ***Demonstrator Vehicles***
Citation: 68 O.S. §2105
Description: Any new vehicle registered and authorized by the manufacturer or dealer for an individual's personal use not to exceed four (4) months.
Estimate: N/A
Data Source:
Reliability:
21. ***100% Disabled Veteran Excise Tax Exemption***
Citation: 68 O.S. §2105
Description: Vehicles purchased by disabled veterans on or after July 1, 2005 with one hundred percent (100%) service connected disability.
Estimate: \$460,192.00
Data Source: Motor Vehicle Excise Tax Receipts
Reliability: 4
22. ***Irrigation District Vehicles***
Citation: 82 O.S. §§277.17 and 688.1
Description: Vehicles purchased by irrigation districts, conservancy districts, and master conservancy districts and used in this state.

22. ***Irrigation District Vehicles (Continued)***

Estimate: Minimal

Data Source: Motor Vehicle Excise Tax Receipts

Reliability: 2

Motor Fuel Taxes

1. *Fuel for Exportation*

Citation: 68 O.S. §500.10

Description: Sale of gasoline or diesel to be exported out of this state by a licensed supplier or licensed exporter.

Estimate (Gasoline Tax): N/A

Estimate (Diesel Tax): N/A

Data Source:

Reliability:

2. *Diverted Fuel*

Citation: 68 O.S. §500.10

Description: Credit for gasoline or diesel taxes previously paid on motor fuel which was approved for diversion across state boundaries.

Estimate (Gasoline Tax): N/A

Estimate (Diesel Tax): N/A

Data Source:

Reliability:

3. *Fuel Exported by Tank Wagon*

Citation: 68 O.S. §500.10

Description: Gasoline or diesel exported out of a bulk plant in this state in a tank wagon.

Estimate (Gasoline Tax): N/A

Estimate (Diesel Tax): N/A

Data Source:

Reliability:

4. *K-1 Kerosene*

Citation: 68 O.S. §500.10

Description: K-1 kerosene sold at retail for use other than for highway use.

Estimate (Gasoline Tax): N/A

Estimate (Diesel Tax): N/A

Data Source:

Reliability:

5. *Sales to Federal Government*

Citation: 68 O.S. §500.10

Description: Sales of gasoline or diesel fuel to the United States of America.

Estimate (Gasoline Tax): Zero¹

Estimate (Diesel Tax): Zero¹

Data Source:

Reliability:

6. ***Fuel Used for the Transportation of School Children***
Citation: 68 O.S. §500.10
Description: Fuel sold for use solely in FFA and 4-H Club trucks and vehicles, and school buses operated by public school districts.
Estimate (Gasoline Tax): N/A
Estimate (Diesel Tax): N/A
Data Source:
Reliability:

7. ***Fuel Used by Exempt Entities***
Citation: 68 O.S. §500.10
Description: Fuel sold for use in motor vehicles owned and operated by counties, cities, towns, volunteer fire departments, rural electric cooperatives, rural water and sewer districts, rural ambulance service districts, or federally-recognized Indian tribes.
Estimate (Gasoline Tax): N/A
Estimate (Diesel Tax): N/A
Data Source:
Reliability:

8. ***Fuel Used for Agricultural Purposes***
Citation: 68 O.S. §500.10
Description: Sales to persons actually engaged in farming for use in farm tractors or stationary engines.
Estimate (Gasoline Tax): N/A
Estimate (Diesel Tax): N/A
Data Source:
Reliability:

9. ***Aircraft Fuel***
Citation: 68 O.S. §500.10
Description: Gasoline, diesel and kerosene sold for use as fuel to generate power in aircraft engines.
Estimate (Gasoline Tax): N/A
Estimate (Diesel Tax): N/A
Data Source:
Reliability:

10. ***Fuel Sold within Indian Country***
Citation: 68 O.S. §500.10
Description: Motor fuel sold within an Indian Reservation or within Indian Country by a federally-recognized tribe to a member of that tribe and used in motor vehicles owned by that tribal member.
Estimate (Gasoline Tax): N/A
Estimate (Diesel Tax): N/A
Data Source:
Reliability:

11. ***Diesel Fuel Used to Run Equipment***
Citation: 68 O.S. §500.10
Description: The portion of diesel fuel used to operate equipment attached to a motor vehicle or consumed in a vehicle off-road.
Estimate (Gasoline Tax): N/A
Estimate (Diesel Tax) : N/A
Data Source:
Reliability:
12. ***Fuel Purchased Out of State***
Citation: 68 O.S. §500.10
Description: Gasoline or diesel acquired outside the state in a motor vehicle and consumed in this state in the same vehicle.
Estimate (Gasoline Tax): N/A
Estimate (Diesel Tax) : N/A
Data Source:
Reliability:
13. ***Diesel Fuel Used for Certain Purposes***
Citation: 68 O.S. §500.10
Description: Diesel fuel used as heating oil, in railroad locomotives, or any other motorized, flanged-wheel rail equipment, or used for other nonhighway purposes.
Estimate (Gasoline Tax): N/A
Estimate (Diesel Tax): N/A
Data Source:
Reliability:
14. ***Lost or Destroyed Fuel***
Citation: 68 O.S. §500.10
Description: Motor fuel lost or destroyed as a direct result of a sudden and unexpected casualty.
Estimate (Gasoline Tax): N/A
Estimate (Diesel Tax) : N/A
Data Source:
Reliability:
15. ***Contaminated Diesel***
Citation: 68 O.S. § 500.10
Description: Credit for taxes paid on diesel fuel which has been accidentally contaminated by dye.
Estimate (Diesel Fuel) : N/A
Date Source:
Reliability:

16. *Dyed Fuel*

Citation: 68 O.S. §500.10

Description: Dyed diesel fuel.

Estimate (Gasoline Tax): N/A

Estimate (Diesel Tax): N/A

Data Source:

Reliability:

Estate Tax

1. ***Bequests to the State of Oklahoma***
Citation: 60 O.S. §382
Description: Bequests of any property, real or personal, to the State of Oklahoma, or to any county, city, town or school district in the State.
Estimate: N/A
Data Source:
Reliability:

2. ***Local Industrial Development Bonds***
Citation: 62 O.S. §660
Description: Bonds issued under the provisions of the Local Industrial Development Act.
Estimate: N/A
Data Source:
Reliability:

3. ***Estate Tax Credit***
Citation: 68 O.S. §802.1
Description: Credit for estate tax paid with respect to transfer of property to the present decedent by or from a person who died within ten (10) years before, or within two (2) years after, the present decedent.
Estimate: N/A
Data Source:
Reliability:

4. ***Intangible Personal Property of a Nonresident***
Citation: 68 O.S. §807
Description: All intangible personal property of a nonresident except intangible personal property specifically taxed by the Estate Tax Code.
Estimate: N/A
Data Source:
Reliability:

5. ***Surviving Spouse***
Citation: 68 O.S. §807
Description: The value of any interest in decedent's estate which vests in the surviving spouse.
Estimate: N/A
Data Source:
Reliability:

6. ***Debts of the Decedent***
Citation: 68 O.S. §808
Description: A deduction is allowed for all debts of the decedent and taxes on real and personal property.
Estimate: N/A
Data Source:
Reliability:
7. ***Income Taxes***
Citation: 68 O.S. §808
Description: Deduction in the amount of state and federal taxes on the income of the decedent to the date of death and unpaid federal gift taxes.
Estimate: N/A
Data Source:
Reliability:
8. ***Taxes Paid to Other Jurisdictions***
Citation: 68 O.S. §808
Description: Deduction allowed for death duties, estate of inheritance taxes paid or payable to foreign countries or other states on intangible personal property.
Estimate: N/A
Data Source:
Reliability:
9. ***Special Assessments***
Citation: 68 O.S. §808
Description: A deduction for special assessments which are due and which are a lien upon taxable property located in this state.
Estimate: N/A
Data Source:
Reliability:
10. ***Funeral Expenses***
Citation: 68 O.S. §808
Description: Deduction for funeral expenses and all amounts actually expended in the last sickness for the care of the deceased.
Estimate: N/A
Data Source:
Reliability:
11. ***Executor's and Administrator's Commissions***
Citation: 68 O.S. §808
Description: Deduction for commissions paid to executors or administrators of the estate.

11. ***Executor's and Administrator's Commissions (Continued)***
Estimate: N/A
Data Source:
Reliability:
12. ***Charitable Bequests***
Citation: **68 O.S. §808**
Description: Deduction for all transfers, gifts, or bequests to any charitable, educational or religious institution. Also any bequests to a nonprofit medical research foundation or to nonprofit organizations devoted exclusively to youth programs.
Estimate: N/A
Data Source:
Reliability:
13. ***Parents', Children or Descendants' Bequests***
Citation: **68 O.S. §809**
Description: Deduction from the estate for that portion which passes to parents, children or other descendants, not to exceed Eight Hundred Fifty Thousand Dollars (\$850,000.00). [\$950,000.00 for deaths on or after 1-01-05; \$1,000,000.00 for deaths on or after 1-01-06]
Estimate: \$38,381,000.00
Data Source: Estate Tax Data
Reliability: 2
14. ***Regional Water Districts***
Citation: **82 O.S. §1274**
Description: Any and all obligations, securities, and evidences of indebtedness issued by a regional water district.
Estimate: N/A
Data Source:
Reliability:

Franchise Tax

1. ***Maximum Tax of \$20,000.00***
Citation: 68 O.S. §1205
Description: All capital employed which imposes a liability in excess of Twenty Thousand Dollars (\$20,000.00) is exempt.
Estimate: N/A
Data Source:
Reliability:

2. ***Corporations Owing Tax of \$10.00 or Less***
Citation: 68 O.S. §1205
Description: All capital employed which imposes a liability in the amount totaling Ten Dollars (\$10.00) or less is exempt.⁵
Estimate: \$216,000.00
Data Source: Tax Commission Records
Reliability: 2

3. ***Corporations Owing Tax of \$250.00 or Less***
Citation: 68 O.S. §1205
Description: All capital employed which imposes a liability in the amount of Two Hundred and Fifty Dollars (\$250) or less in tax.
Estimate: \$229,000.00⁶
Data Source: Tax Commission Records
Reliability: 2

4. ***Exempt Corporations and Organizations***
Citation: 68 O.S. §1206
Description: Savings and loan associations, small business investment companies, credit unions, trust companies, nonprofit corporations, and others listed in this section.
Estimate: N/A
Data Source:
Reliability:

5. ***Rural Electric Co-operatives***
Citation: 68 O.S. §1214
Description: Each co-operative and foreign corporation.
Estimate: N/A
Data Source:
Reliability:

6. ***Other Exempt Organizations***
Citation: 74 O.S. §§2106, 5060.9 and 5062.14

6. ***Other Exempt Organizations (Continued)***

Description: Export trading companies, the Center for the Advancement of Science & Technology, and the Oklahoma Development Finance Authority.

Estimate: N/A

Data Source:

Reliability:

Gross Production and Petroleum Excise Taxes

1. *Enhanced Oil Recovery Incentive*

Citation: 68 O.S. §1001

Description: An exemption of Gross Production and Petroleum Excise Tax on the incremental production attributable to the working interest owners of an approved enhanced oil recovery operation

Estimate: (Gross Production) \$2,400,000.00

Estimate: (Petroleum Excise) \$32,300.00

Data Source: Production Reports

Reliability: 2

2. *Incentive Rebates*

Citation: 68 O.S. §1001

Description: Rebate of 6/7ths of the gross production tax paid on oil and/or gas produced from projects certified as “Horizontally Drilled”, “Reestablished Production”, “Production Enhancement”, “Deep Well”, “New Discovery”, or “Three-Dimensional”.

Estimate: (Gross Production) \$57,000,000.00

Estimate: (Petroleum Excise) Zero

Data Source: Claim Reports

Reliability: 1

3. *Lease Interest Exemptions*

Citation: 68 O.S. §§1008 and 1106

Description: The portion of royalty interest exempt from Gross Production and Petroleum Excise Tax attributable to the minerals owned by Cities, Counties, School Districts, Indian Tribes, State or Federal Government.

Estimate: (Gross Production) \$7,100,000.00

Estimate: (Petroleum Excise) \$97,000.00

Data Source: Production Reports

Reliability: 2

4. *Credit for Small Business and Rural Small Business Capital Companies*

Citation: 68 O.S. §§2357.63(E) and 2357.74(E)

Description: A tax credit for qualified investment in Oklahoma Small Business Capital Companies and Oklahoma Rural Small Business Capital Companies to be taken against Oklahoma Gross Production and Petroleum Excise Tax.

Estimate: (Gross Production) \$21,203,000.00

Estimate: (Petroleum Excise) \$329,800.00

Data Source: Claim Reports

Reliability: 1

Miscellaneous Tax Provisions

A. AIRCRAFT REGISTRATION FEES

1. *Aircraft Owned by the Manufacturer*

Citation: 3 O.S. §253

Description: Aircraft manufactured under a FAA approved certificate which are owned and in the possession of the manufacturer.

Estimate: Zero

Data Source: Aircraft Registration Documents

Reliability: 1

2. *Aircraft owned by Charitable Organizations*

Citation: 3 O.S. §253

Description: Aircraft owned by charitable organizations and used solely for the furtherance of charitable purposes.

Estimate: Zero

Data Source: Aircraft Registration Documents

Reliability: 1

3. *Aircraft Owned by Nonresidents*

Citation: 3 O.S. §253

Description: Aircraft belonging to nonresidents of this state and registered in another state.

Estimate: Zero

Data Source: Aircraft Registration Documents

Reliability: 1

4. *Aircraft of the Federal Government and State Government*

Citation: 3 O.S. §253

Description: Aircraft of the federal government, any state government, and any aircraft of the Civil Air Patrol.

Estimate: N/A

Data Source:

Reliability:

5. *Aircraft of a Foreign Country*

Citation: 3 O.S. §253

Description: Aircraft licensed by a foreign country with which the United States has a reciprocal agreement covering the operation of such licensed aircraft.

Estimate: Zero

Data Source: Aircraft Registration Documents

Reliability: 1

6. ***Aircraft Which Are Not Airworthy***
Citation: 3 O.S. §253
Description: Aircraft not currently licensed or holding a current airworthiness certificate by the FAA.
Estimate: N/A
Data Source:
Reliability:

B. AIRCRAFT EXCISE TAX

1. ***Aircraft Owned by the Manufacturer***
Citation: 68 O.S. §6003
Description: Aircraft manufactured under a FAA approved certificate which are owned and in the possession of the manufacturer.
Estimate: Zero
Description: Aircraft Excise Tax Files
Reliability: 1
2. ***Aircraft Owned by Dealers***
Citation: 68 O.S. §6003
Description: Aircraft owned by a licensed dealer and in the dealer's inventory.
Estimate: N/A
Data Source:
Reliability:
3. ***Aircraft of the Federal Government and State Governments***
Citation: 68 O.S. §6003
Description: Aircraft belonging to the federal government or any state government.
Estimate: N/A
Data Source:
Reliability:
4. ***Corporate, Partnership or Limited Liability Company Aircraft***
Citation: 68 O.S. §6003
Description: Aircraft transferred pursuant to the formation, reorganization or dissolution of a corporation, partnership, or limited liability company.
Estimate: N/A
Data Source:
Reliability:
5. ***Aircraft Owned by Commercial Airlines***
Citation: 68 O.S. §6003
Description: Aircraft purchased outside this state and brought into the state to be used by commercial airlines.

5. ***Aircraft Owned by Commercial Airlines (Continued)***
Estimate: N/A
Data Source:
Reliability:

6. ***Aircraft Upon Which an Out-of-State Tax Has Been Paid***
Citation: 68 O.S. §6003
Description: Aircraft on which a tax levied pursuant to the provisions of the laws of another state, equal to or in excess of the aircraft excise tax, has been paid.
Estimate: N/A
Data Source:
Reliability:

7. ***Aircraft Acquired by Inheritance***
Citation: 68 O.S. §6003
Description: Aircraft when the legal ownership of such aircraft is obtained by the applicant for a certificate of title by inheritance.
Estimate: Zero
Data Source: Aircraft Excise Tax Files
Reliability: 2

8. ***Aircraft Obtained through Foreclosure Proceedings***
Citation: 68 O.S. §6003
Description: Aircraft obtained by the lienholder or mortgagee under or by foreclosure of a lien or mortgage.
Estimate: N/A
Data Source:
Reliability:

9. ***Aircraft Transferred within the Family***
Citation: 68 O.S. §6003
Description: Aircraft transferred between husband and wife, or parent and child, where no valuable consideration is given.
Estimate: Zero
Data Source: Aircraft Excise Tax Files
Reliability: 1

10. ***Aircraft Used for Agricultural Purposes***
Citation: 68 O.S. §6003
Description: Aircraft purchased by a resident of this state and used exclusively in this state for agricultural spraying purposes.
Estimate: N/A
Data Source:
Reliability:

11. ***Aircraft Sold for More Than \$2,500,000.00***
Citation: 68 O.S. §6003
Description: Aircraft with a selling price in excess of Two Million Five Hundred Thousand Dollars (\$2,500,000.00) which are transferred to a purchaser who is not a resident of this state for immediate transfer out of state.
Estimate: Zero
Data Source: Aircraft Excise Tax Files
Reliability: 1

12. ***Trust Transfers***
Citation: 68 O.S. §6003
Description: Aircraft transferred without consideration between an individual and an express trust.
Estimate: Zero
Data Source: Aircraft Excise Tax Files
Reliability: 1

13. ***Aircraft Selling for More Than \$5,000,000.00***
Citation: 68 O.S. §6003.1
Description: Credit against the aircraft excise due on the sale of aircraft where the selling price is Five Million Dollars (\$5,000,000.00) for expenditures made by the persons owing the tax, for the benefit of airports located in Oklahoma.
Estimate: Zero
Data Source: Aircraft Excise Tax Files
Reliability: 1

C. WASTE TIRE RECYCLING FEES

1. ***International Registration Plan (IRP) Motor Vehicles***
Citation: 27A O.S. §2-11-401.2
Description: Motor Vehicles registered pursuant to the IRP.
Estimate: N/A
Data Source:
Reliability:

2. ***Recycling Fee Previously Paid***
Citation: 27A O.S. §2-11-401.2
Description: Purchases of used or retreaded tires provided that the tire dealer can document that the recycling fee has been previously paid.
Estimate: N/A
Data Source:
Reliability:

3. ***All-terrain Vehicles and Off-road Motorcycles***
Citation: 27A O.S. §2-11-401.2
Description: All-terrain vehicles and off-road motorcycles registered pursuant to Section 1132 of Title 47.
Estimate: N/A
Data Source:
Reliability:

D. ALCOHOLIC BEVERAGE & LOW POINT BEER EXCISE TAXES

1. ***Low Point Beer Manufactured for Export***
Citation: 37 O.S. §163.3
Description: Low point beer manufactured for export.
Estimate: Minimal
Data Source: Tax Commission Records
Reliability: 1
2. ***Beer Manufactured for Export***
Citation: 37 O.S. §553
Description: Beer manufactured for export.
Estimate: Minimal
Data Source: Tax Commission Records
Reliability: 1
3. ***Industrial Use Alcohol***
Citation: 37 O.S. §554
Description: Alcohol used exclusively for industrial purposes by the holder of an industrial license.
Estimate: Minimal
Data Source: ABLE Commission
Reliability: 3
4. ***U.S. Tax-Free Permit***
Citation: 37 O.S. §554
Description: Alcohol lawfully withdrawn and used free of tax under a tax-free permit issued by the United States.
Estimate: N/A
Data Source:
Reliability:
5. ***Licensed Physicians and Dentists***
Citation: 37 O.S. §554
Description: Alcohol used exclusively by licensed physicians, dentists, and pharmacists in the practice of their professions.
Estimate: Minimal
Data Source: ABLE Commission
Reliability: 3

6. ***Cider and Wine Made for Personal Use***
Citation: 37 O.S. §554
Description: Cider and wine made for personal use by a person licensed by the ABLE Commission
Estimate: Minimal
Data Source: ABLE Commission
Reliability: 3
7. ***Sacramental Wine***
Citation: 37 O.S. §554
Description: Wine used exclusively for sacramental purposes in bona fide religious ceremonies.
Estimate: None
Data Source: ABLE Commission
Reliability: 1
8. ***Imported Alcoholic Beverages***
Citation: 37 O.S. §554
Description: Alcoholic beverages, not exceeding one (1) liter, imported into this state by the possessor for his own personal use.
Estimate: N/A
Data Source:
Reliability:

E. CIGARETTE STAMP TAX

1. ***Veterans Hospital***
Citation: 68 O.S. §321
Description: Cigarettes sold to veterans hospitals and state-operated domiciliary homes for veterans.
Estimate: \$22,000.00
Data Source: Wholesaler's Reports
Reliability: 1
2. ***United States of America***
Citation: 68 O.S. §321
Description: Sales of cigarettes to the United States.
Estimate: Zero¹
Data Source:
Reliability:
3. ***Indian Tribal Compact Sales***
Citation: 68 O.S. §321
Description: Sales to federally recognized Indian tribe which has entered into a compact with the State of Oklahoma or to a licensee of such tribe.
Estimate: \$96,648,000.00

3. ***Indian Tribal Compact Sales (Continued)***
Data Source: Tax Commission Records
Reliability: 1

4. ***Indian Tribal Sales***
Citation: 68 O.S. §321
Description: Sales to a federally recognized Indian tribe or to a licensee of such tribe upon which the tax levied by §349 of the Title 68 has been paid.
Estimate: \$466,000.00
Data Source: Tax Commission Records
Reliability: 1

F. TOBACCO PRODUCTS TAX

1. ***Veterans Hospitals***
Citation: 68 O.S. §419
Description: Tobacco products sold to veterans hospitals and state-operated domiciliary homes for veterans.
Estimate: Minimal
Data Source: Tax Commission Records
Reliability: 2

2. ***Indian Tribal Compact Sales***
Citation: 68 O.S. §419
Description: Sales to a federally recognized Indian tribe, which has entered into a compact with the State of Oklahoma or to a licensee of such tribe.
Estimate: \$16,485,000.00
Data Source: Tax Commission Records
Reliability: 1

3. ***Indian Tribal Sales***
Citation: 68 O.S. §419
Description: Sales to a federally recognized Indian tribe or to a licensee of such tribe upon which tax levied by §426 of Title 68 has been paid.
Estimate: \$61,000.00
Data Source: Tax Commission Records
Reliability: 1

G. MOTOR FUEL/DIESEL FUEL IMPORTER FOR USE TAX

1. ***Automobiles or Recreational Vehicles***
Citation: 68 O.S. §605
Description: Automobiles or recreational vehicles constructed and used for transporting persons other than for hire.

1. ***Automobiles or Recreational Vehicles (Continued)***
Estimate: N/A
Data Source:
Reliability:

2. ***Vehicles Less Than 26,000 lbs.***
Citation: 68 O.S. §605
Description: Fuel imported into the state in motor vehicles with a gross vehicle weight of less than twenty-six thousand (26,000) pounds.
Estimate: N/A
Data Source:
Reliability:

3. ***Agricultural Vehicles***
Citation: 68 O.S. §605
Description: Fuel imported by persons transporting livestock and farm products to or from the market.
Estimate: N/A
Data Source:
Reliability:

4. ***Tour Buses***
Citation: 68 O.S. §605
Description: Tour buses operated to transport passengers by charter or special service.
Estimate: N/A
Data Source:
Reliability:

5. ***United States of America***
Citation: 68 O.S. §605
Description: Motor fuel or diesel fuel used in vehicles owned by the United States of America.
Estimate: Zero¹
Data Source:
Reliability:

6. ***Temporary Fuel Permit***
Citation: 68 O.S. §605
Description: Persons importing fuel for use in this state that have received a temporary fuel permit from the Tax Commission.
Estimate: N/A
Data Source:
Reliability:

7. ***Credit for Fuel Consumed Outside the State***
Citation: 68 O.S. §615
Description: Credit allowed for gasoline or diesel fuel upon which tax has been paid and thereafter consumed outside the State of Oklahoma.
Estimate: N/A
Data Source:
Reliability:

H. SPECIAL FUEL USE TAX

1. ***United States of America***
Citation: 68 O.S. §708
Description: Special fuel delivered into the supply tanks of or used by motor vehicles owned by the United States.
Estimate: Zero¹
Data Source:
Reliability:
2. ***Agricultural Use***
Citation: 68 O.S. §708
Description: Special fuel delivered into the supply tanks of farm tractors and stationary engines used for agricultural purposes.
Estimate: N/A
Data Source:
Reliability:
3. ***Passenger Automobiles***
Citation: 68 O.S. §708
Description: Special fuel imported into Oklahoma in the fuel supply tanks of passenger automobiles.
Estimate: N/A
Data Source:
Reliability:
4. ***Motor Vehicles with 25 Gallons or Less Supply Tanks***
Citation: 68 O.S. §708
Description: Special fuel imported into Oklahoma in storage tanks with a capacity of twenty-five (25) gallons or less and not used for commercial purposes.
Estimate: N/A
Data Source:
Reliability:
5. ***Agricultural Vehicles***
Citation: 68 O.S. §708

5. ***Agricultural Vehicles (Continued)***
Description: Special fuel imported by persons transporting livestock and farm products to or from the market.
Estimate: N/A
Data Source:
Reliability:

6. ***Road Machinery and Equipment***
Citation: **68 O.S. §708**
Description: Special fuel used in road machinery and equipment built for and used on location in the construction of public highways.
Estimate: N/A
Data Source:
Reliability:

7. ***Passenger Motor Buses or Coaches***
Citation: **68 O.S. §708**
Description: Special fuel used in passenger motor buses or coaches with a seating capacity of ten (10) or more persons used in public transit systems.
Estimate: N/A
Data Source:
Reliability:

8. ***County, City or Town Vehicles***
Citation: **68 O.S. §708**
Description: Special fuel purchased by any county, city or town for use in vehicles operated for the benefit of the county, city or town.
Estimate: N/A
Data Source:
Reliability:

9. ***School Districts***
Citation: **68 O.S. §708**
Description: Special fuel purchased by an Oklahoma school district for use in vehicles for the sole benefit of the school district.
Estimate: N/A
Data Source:
Reliability:

10. ***State Department of Transportation***
Citation: **68 O.S. §708**
Description: Special fuel purchased by the Oklahoma Department of Transportation for use in vehicles for the sole benefit of the Department of Transportation.
Estimate: N/A

10. *State Department of Transportation (Continued)*
Data Source:
Reliability:

11. *Credit for Special Fuel Consumed Outside the State*
Citation: 68 O.S. §722
Description: Credit allowed for special fuel upon which tax has been paid and thereafter consumed outside the State of Oklahoma.
Estimate: N/A
Data Source:
Reliability:

12. *Fee in Lieu of Tax*
Citation: 68 O.S. §723
Description: Flat fee of Fifty Dollars (\$50.00) for each automobile and truck using liquefied petroleum gas or natural gas as fuel. The fee is in lieu of the special fuel tax.
Estimate: N/A
Data Source:
Reliability:

I. COIN-OPERATED MUSIC AND AMUSEMENT DEVICE FEES

1. *Vending Devices Owned by Schools, Churches, or Governments*
Citation: 68 O.S. §1503.1
Description: Coin-operated vending devices owned by and located in a public or private school, a church, or a governmental entity.
Estimate: N/A
Data Source:
Reliability:

2. *Newspaper Vending Devices*
Citation: 68 O.S. §1503.1
Description: Coin-operated vending devices, which dispense only newspapers or periodicals.
Estimate: N/A
Data Source:
Reliability:

3. *Postage Stamp Vending Devices*
Citation: 68 O.S. §1503.1
Description: Coin-operated vending devices, which dispense only postage stamps.
Estimate: N/A
Data Source:
Reliability:

4. ***Vending Devices Installed on Federal Military Bases***
Citation: 68 O.S. §1503.1
Description: Coin-operated vending devices installed on federal military bases.
Estimate: N/A
Data Source:
Reliability:

J. MOTOR VEHICLE RENTAL TAX

1. ***Lease Vehicles***
Citation: 68 O.S. §2110
Description: Vehicles subject to any lease agreements.
Estimate: N/A
Data Source:
Reliability:
2. ***Prorate Vehicles***
Citation: 68 O.S. §2110
Description: Truck or truck-tractors having a combined laden weight of eight thousand (8,000) pounds or more and registered pursuant to the IRP.
Estimate: N/A
Data Source:
Reliability:
3. ***Trailers or Semitrailers***
Citation: 68 O.S. §2110
Description: Trailers or semitrailers registered pursuant to Section 1133 of Title 47 of the Oklahoma Statutes.
Estimate: N/A
Data Source:
Reliability:
4. ***Bad Debt Deduction***
Citation: 68 O.S. § 2110
Description: Vehicle rental tax deduction from gross receipts for bad debts.
Estimate: Effective July 1, 2009
Data Source:
Reliability:

K. DOCUMENTARY STAMP TAX

1. ***Prior Recorded Deeds***
Citation: 68 O.S. §3202
Description: Deeds recorded prior to the effective date of Sections 3201 through 3206 of Title 68.

1. ***Prior Recorded Deeds (Continued)***
Estimate: N/A
Data Source:
Reliability:

2. ***Deeds Which Secure a Debt***
Citation: 68 O.S. §3202
Description: Deeds which secure a debt or other obligation.
Estimate: N/A
Data Source:
Reliability:

3. ***Supplemental Deeds***
Citation: 68 O.S. §3202
Description: Deeds which, without additional consideration, confirm, correct, modify or supplement a deed previously recorded.
Estimate: N/A
Data Source:
Reliability:

4. ***Deeds Between Family Members***
Citation: 68 O.S. §3202
Description: Deeds, without consideration, between husband and wife, parent and child or any persons related within the second degree of consanguinity or deeds between any person and an express revocable trust created by such person or such person's spouse.
Estimate: N/A
Data Source:
Reliability:

5. ***Tax Deeds***
Citation: 68 O.S. §3202
Description: Tax deeds.
Estimate: N/A
Data Source:
Reliability:

6. ***Deeds of Release of Property***
Citation: 68 O.S. §3202
Description: Deeds of release of property which is security for a debt or other obligation.
Estimate: N/A
Data Source:
Reliability:

7. ***Deeds Executed by Indian Tribal Members***
Citation: 68 O.S. §3202
Description: Deeds executed by members of Indian tribes in approval proceedings of the district courts or by the Secretary of the Interior.
Estimate: N/A
Data Source:
Reliability:

8. ***Deeds of Partition***
Citation: 68 O.S. §3202
Description: Deeds of partition, unless, for consideration, some of the parties take shares greater in value than their individual interests.
Estimate: N/A
Data Source:
Reliability:

9. ***Merger Deeds***
Citation: 68 O.S. §3202
Description: Deeds made pursuant to mergers of partnerships, limited liability companies, or corporations.
Estimate: N/A
Data Source:
Reliability:

10. ***Deeds to a Parent Corporation***
Citation: 68 O.S. §3202
Description: Deeds made by a subsidiary corporation to its parent corporation for no consideration.
Estimate: N/A
Data Source:
Reliability:

11. ***State of Oklahoma***
Citation: 68 O.S. §3202
Description: Deeds or instruments to which the State of Oklahoma or any of its instrumentalities, agencies or subdivisions is a party.
Estimate: N/A
Data Source:
Reliability:

12. ***United States of America***
Citation: 68 O.S. §3202
Description: Deeds or instruments to which the United States or any of its agencies or departments is a party.
Estimate: N/A
Data Source:
Reliability:

13. *Foreclosure Deeds*

Citation: 68 O.S. § 3202

Description: Deeds executed pursuant to a foreclosure proceeding in which the grantee is the holder of a mortgage on the property being foreclosed.

Estimate: N/A

Data Source:

Reliability:

14. *Oklahoma Space Industry Development Authority Deeds*

Citation: 68 O.S. §3202

Description: Deeds or instruments to which the Oklahoma Space Industry Development Authority or a spaceport user is a party.

Estimate: N/A

Data Source:

Reliability:

L. TOURISM PROMOTION GROSS RECEIPTS TAX
(Repealed July 1, 2007)

M. CHARITY GAMES TAX

1. *Veterans' Organizations*

Citation: 3A O.S. §421

Description: Sales of bingo faces, U-PIK-EM bingo game sets, breakopen ticket games, and other charity game equipment to certain veterans' organizations.

Estimate: \$333,000.00

Data Source: Tax Commission Records

Reliability: 2

2. *Group home for mentally disabled individuals*

Citation: 3A O.S. § 421

Description: Sales of bingo faces, U-PIK-EM bingo game sets, breakopen ticket games, and other charity games equipment to a group home for mentally disabled individuals exempt from taxation pursuant to 501(c)(3) of the Internal Revenue Code.

Estimate: N/A

Data Source:

Reliability:

3. *Bad Debt Credit*

Citation: 3A O.S. §422

Description: Credit allowed for taxes paid by the distributor that become uncollectible from an organization.

3. ***Bad Debt Credit (Continued)***

Estimate: Zero
Data Source: Tax Commission Records
Reliability: 2

4. ***Damaged Equipment***

Citation: 3A O.S. §422
Description: Credit for tax paid on damaged bingo faces, U-PIK-EM bingo game sets, breakopen ticket games, or charity game equipment.
Estimate: Zero
Data Source: Tax Commission Records
Reliability: 2

N. BOAT AND MOTOR REGISTRATION FEES

1. ***Military Personnel***

Citation: 63 O.S. §4021
Description: Boats and motors owned by members of the Armed Forces of the United States assigned to duty in this state or owned by their spouses, who reside in Oklahoma. The special registration also applies to Oklahoma residents who are members of the Armed Forces and stationed out of state.
Estimate: \$5,756.00
Data Source: Boat and Motor Registrations
Reliability: 2

2. ***Boat and Motor Replacement Credit***

Citation: 63 O.S. §4021
Description: Credit allowed with respect to the registration fee of a new boat and/or motor which is a replacement for a stolen or defective new original boat and/or motor.
Estimate: \$4,292.00
Data Source: Boat and Motor Registrations
Reliability: 2

3. ***State of Oklahoma***

Citation: 63 O.S. §4021
Description: Boats and motors owned by the State of Oklahoma, its agencies, departments, or political subdivisions.
Estimate: \$11,114.00
Data Source: Boat and Motor Registrations
Reliability: 2

4. ***Houseboats of a Fleet of 20 or More Vessels***

Citation: 63 O.S. §4021

4. ***Houseboats of a Fleet of 20 or More Vessels (Continued)***
Description: Boats which are part of a fleet used for lodging and for which a rental fee and sales taxes are collected.
Estimate: Minimal
Data Source: Boat and Motor Registrations
Reliability: 2

5. ***Boy Scouts of America, Girl Scouts of U.S.A. and Campfire Girls***
Citation: 63 O.S. §4021
Description: Boats and motors owned by Boy Scouts of America, Girl Scouts of U.S.A., and Campfire Girls devoted exclusively to youth programs emphasizing physical fitness, character development and citizenship training.
Estimate: N/A
Data Source:
Reliability:

6. ***Donated Boats and Motors***
Citation: 63 O.S. §4021
Description: Boats and motors donated to nonprofit charitable organizations.
Estimate: N/A
Data Source:
Reliability:

O. BOAT AND MOTOR EXCISE TAX

1. ***Donated Boats and Motors***
Citation: 63 O.S. §4021
Description: Boats and motors donated to nonprofit charitable organizations.
Estimate: N/A
Data Source:
Reliability:

2. ***Marital and Parental Transfers***
Citation: 63 O.S. §4103
Description: Transfers of boats and/or motors without consideration between a husband and wife or parent and child.
Estimate: \$346,464.00
Data Source: Boat and Motor Excise Tax Receipts
Reliability: 2

3. ***Replacement Boat and Motor***
Citation: 63 O.S. §4103

3. ***Replacement Boat and Motor (Continued)***
Description: Credit allowed with respect to excise tax paid for a new boat and/or motor which is a replacement for a stolen or defective new original boat and/or motor.
Estimate: \$19,296.00
Data Source: Boat and Motor Excise Tax Receipts
Reliability: 2

4. ***New Resident***
Citation: **63 O.S. §4106**
Description: Any boat or motor brought into this state by a person formerly living in another state who has owned and registered the boat or motor in the other state at least sixty (60) days prior to first registration in this state.
Estimate: \$207,792.00
Data Source: Boat and Motor Excise Tax Receipts
Reliability: 2

5. ***Government Entities***
Citation: **63 O.S. §4106**
Description: Any boat or motor registered by the United States, State of Oklahoma, or by any of their political subdivisions.
Estimate: \$16,992.00
Data Source: Boat and Motor Excise Tax Receipts
Reliability: 2

6. ***Inherited***
Citation: **63 O.S. §4106**
Description: Any boat or motor, the legal ownership of which was obtained by the owner through inheritance.
Estimate: \$20,880.00
Data Source: Boat and Motor Excise Tax Receipts
Reliability: 2

7. ***Used Boat and Motor Dealers***
Citation: **63 O.S. §4106**
Description: Any boat and motor owned and being offered for sale by a licensed boat and motor dealer.
Estimate: N/A
Data Source: Boat and Motor Excise Tax Receipts
Reliability: 2

8. ***Foreclosure***
Citation: **63 O.S. §4106**

8. ***Foreclosure (Continued)***
Description: Any boat and motor, the ownership of which was obtained by the lienholder or mortgagee under or by a foreclosure of a lien or mortgage.
Estimate: \$21,888.00
Data Source: Boat and Motor Excise Tax Receipts
Reliability: 2
9. ***Boy Scouts of America, Girl Scouts of U.S.A. and Campfire Girls***
Citation: **63 O.S. §4106**
Description: Boats and motors owned by the council organization or similar state supervisory organizations of the Boy Scouts of America, Girl Scouts of U.S.A. and the Campfire Girls.
Estimate: Minimal
Data Source: Tax Commission Records
Reliability: 2
10. ***Corporate and Partnership Boats and Motors***
Citation: **63 O.S. §4106**
Description: Any boat or motor transferred pursuant to the formation or dissolution of a corporation or partnership.
Estimate: Minimal.
Data Source: Tax Commission Records
Reliability: 2

ENDNOTES

¹ All expenditures involving the United States are given an estimate of zero. This estimate is provided since the State cannot levy a tax upon the federal government under the decision of the U.S. Supreme Court.

² During the 2008 legislative session the Central Oklahoma Master Conservancy District and the Department of Central Service when carrying out a public contract on behalf of the Oklahoma Department of Veterans Affairs were added to the referenced exemption pursuant to SB1516, effective June 4, 2008 and HB1387 effective July 1, 2009, respectively.

³ Pursuant to Section 2 of House Bill 1387, effective July 1, 2009, the sales tax exemptions were expanded to include sales to such organizations. Further the exemption requirement that sales by such organizations be made during an auction was stricken.

⁴ Pursuant to Section 5 of Senate Bill 806 [2007], effective July 1, 2008, the exemption shall apply to eligible shelters for children from birth to age eighteen. 68 O.S. § 1356.

⁵ Effective to December 31, 2007, superseded by Section 1 of Senate Bill 861[2007]

⁶ Effective January 1, 2008 pursuant to Section 1 of Senate Bill 86 [2007]