



OKLAHOMA TAX COMMISSION
**TAX EXPENDITURE
REPORT**



OKLAHOMA
Tax Commission

2023-2024

PREPARED BY THE TAX POLICY DIVISION
OF THE OKLAHOMA TAX COMMISSION

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I. INTRODUCTION

The following report is the 17th issue of the Oklahoma Tax Expenditure Report prepared by the Tax Policy Division of the Oklahoma Tax Commission pursuant to 68 O.S. § 205(E). 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, or the most recent tax year with complete data. The report is prepared no later than October 1 of each even-numbered year. Our next report will be issued October 1, 2026, with estimates for Fiscal Year 2026.

The provisions of state tax law that fall within the definition of a "tax expenditure" are separated by tax type. The statutory provisions are listed for reference. 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.

The estimation process for income tax expenditures prevents the summing of each expenditure and the drawing of any precise conclusions about their aggregate value. All estimates given are rounded to the nearest thousand dollars, and estimates less than \$25,000 are listed as "Minimal" unless a Level 1 estimate is available. Expenditures for which data resources are not available state "*Information Unavailable*" in place of an estimate. 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 Economic and Management Research at the University of Oklahoma (OU) and the Office of Business and Economic Research at Oklahoma State University (OSU) 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 2024 fiscal year.

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.

II. INCOME TAX

A. CREDITS

Tax credits directly reduce tax liability and, in some cases, are fully refundable, transferable, or can be carried forward to a subsequent tax year. Unless indicated otherwise, the following credits are nonrefundable, nontransferable, and have no carryover provisions. The following expenditure estimates reflect income tax filings for the 2022 tax year. Since the last expenditure report, some income tax credits have been repealed or allowed to sunset. Those credits that were allowed to sunset or were repealed that had provisions allowing for the carryover of unused credits are reflected in this report, while those without carryover provisions are not included.

1. ***Low Income Sales Tax Relief, 68 O.S. § 1370.3***

For Oklahoma residents whose gross household income does not exceed \$12,000 per year, a refundable credit of \$40 per personal exemption is allowed. The credit is only available if sales tax is levied under 68 O.S. § 1370.2. To date, sales tax has not been levied under 68 O.S. § 1370.2. (This credit is different from the Sales Tax Relief Credit authorized under 68 O.S. § 5011.)

Estimate: \$0

Data Source: Income Tax Returns

Reliability: 1

2. ***Taxes Paid to Another State, 68 O.S. § 2357***

An income tax credit is allowed for taxes paid to another state by resident individuals on income received as compensation for personal services in another state.

Estimate: \$55,912,000 / 36,387 Returns

Data Source: Income Tax Returns

Reliability: 1

3. ***Child Care / Child Tax Credit, 68 O.S. § 2357***

An income tax credit is allowed for childcare expenses in the amount of 20% of the federal childcare credit. Taxpayers can elect to take the greater of the childcare credit or 5% of the federal child tax credit authorized under the Internal Revenue Code. In both cases, federal adjusted gross income (AGI) cannot exceed \$100,000. This credit is allowed to residents, part-year residents and non-resident military, subject to proration of Oklahoma AGI to federal AGI.

Estimate: \$42,559,000 / 352,998 Returns

Data Source: Income Tax Returns

Reliability: 1

4. ***Oklahoma Investment/New Jobs, 68 O.S. § 2357.4***

An income tax credit is allowed 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. Any credit allowed but not used may be carried over indefinitely.

Estimate: \$24,319,000 / 625 Returns

Data Source: Income Tax Returns

Reliability: 1

5. ***Venture Capital, 68 O.S. § 2357.7***

Provides for an income tax credit of 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 3 years. The unutilized credit is freely transferable for the same 3-year period.

Estimate: \$5,215,000 / 42 Returns
Data Source: Income Tax Returns
Reliability: 1

6. ***Investments in Clean-Burning Motor Vehicle Fuel Property (Motor Vehicles), 68 O.S. § 2357.22***

A credit for the purchase or conversion of qualified clean-burning motor vehicle fuel property is allowed. The amount of the credit for conversion of a vehicle is the cost of the equipment installed. The amount of the credit for a motor vehicle originally equipped with clean-burning fuel property is either the portion of the basis of the vehicle that is clean-burning fuel property or \$1,500 if taxpayer is unable or elects not to determine the exaction portion of the basis that is attributable to such property. The maximum amount of the credit is based upon the gross vehicle weight of the qualified vehicle.

Estimate: \$4,080,000 / 213 Returns
Data Source: Income Tax Returns
Reliability: 1

7. ***Investments in Clean-Burning Motor Vehicle Fuel Property (Infrastructure), 68 O.S. § 2357.22***

A per-location credit of 45% of the cost of the qualified clean-burning motor vehicle fuel property is allowed for property directly related to the delivery of a qualified fuel into the fuel tank of a motor vehicle and the storage of such fuel or for a public access recharging system for vehicles propelled by electricity. A per-location credit equal to the lesser of \$2,500 or 50% of the cost of property which is directly related to the compression and delivery of natural gas from a private home or residence, for noncommercial purposes, into the fuel tank of a motor vehicle propelled by compressed natural gas is allowed.

Estimate: \$3,098,000 / 144 Returns
Data Source: Income Tax Returns
Reliability: 1

8. ***Natural Disaster Tax Credit, 68 O.S. § 2357.29A***

A refundable income tax credit is allowed for owners of residential real property whose primary residence was damaged or destroyed in a natural disaster occurring after December 31, 2011. For purposes of this credit, a "natural disaster" means a weather or fire event for which a Presidential Major Disaster Declaration was issued, or a tornado occurring in calendar year 2012 or 2013 regardless of whether a Presidential Major Disaster Declaration was issued. The amount of the credit is the difference between the ad valorem property tax paid on the property and on improvements in the year prior to the damage or destruction and the ad valorem property tax paid the first year after the improvement is complete. Eligible taxpayers will be entitled to claim this credit for 5 consecutive years. After the first year the credit is claimed, the amount of the credit will be 80% of the previous year's credit.

Estimate: \$42,000 / 148 Returns
Data Source: Income Tax Returns
Reliability: 1

9. ***Credit for Electricity Generated by Zero-Emission Facilities, 68 O.S. § 2357.32A***

An income tax credit is allowed based on the amount of electricity generated by a qualified zero-emission facility placed in service before July 1, 2017. The credit is available for 10 years after the qualified zero-emission facility is placed in service. Credits earned on or after January 1, 2014, are not transferable; any credit earned, but not used, is refundable in an amount equal to 85% of the amount of the credit.¹ The credit for electricity generated by non-wind sources, which sunsetted on December 31, 2021, is capped at \$500,000.

Estimate: \$16,410,000 / 40 Returns
Data Source: Income Tax Returns
Reliability: 1

10. ***Credit for Manufacturers of Advanced Small Wind Turbines, 68 O.S. § 2357.32B***

A transferable income tax 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. This credit is for tax years ending on or before December 31, 2012; any unused credit may be carried over for a period of 10 years.

Estimate: \$0
Data Source: Income Tax Returns
Reliability: 1

11. ***Tourism Promotion Credit, 68 O.S. §§ 2357.34 through 2357.40***

An income tax credit is allowed for an investment in a qualified tourism attraction project. The credit is based on the approved costs of the project and is 10% if the approved costs are between \$500,000 and \$1 million, and 25%, if the approved costs are in excess of \$1 million. Any credit allowed, but not used, may be carried over for 10 years. This credit was repealed, effective January 1, 2014.

Estimate: \$0
Data Source: Income Tax Returns
Reliability: 1

12. ***Tax Credit for Qualified Rehabilitation Expenditures, 68 O.S. § 2357.41***

A transferable income tax credit equal to 100% of the federal rehabilitation credit under 26 U.S.C. § 47 is allowed. Unused credit may be carried over for a period of 10 years.

Estimate: \$241,000 / 40 Returns
Data Source: Income Tax Returns
Reliability: 1

13. ***Oklahoma Earned Income Tax Credit, 68 O.S. § 2357.43***

A refundable income tax credit equal to 5% of the amount of the tax year 2022 federal earned income tax credit is allowed.

Estimate: \$40,249,000 / 321,693 Returns
Data Source: Income Tax Returns
Reliability: 1

¹ 68 O.S. § 2357.32A(D)(3) allows taxpayers the option of irrevocably electing to defer the payment of the tax credit refund for 10 years for any credits initially claimed on or after July 1, 2019.

14. ***Credit for Donations to Biomedical Research Institute, 68 O.S. § 2357.45***
An income tax credit is allowed for donations to a qualified independent biomedical research institute. The credit is 50% of the amount donated, not to exceed \$1,000. Unused credit may be carried over for a period of 4 years.
Estimate: \$670,000 / 966 Returns
Data Source: Income Tax Returns
Reliability: 1
15. ***Credit for Donations to Cancer Research Institute, 68 O.S. § 2357.45***
An income tax credit is allowed for donations to a cancer research institute. The credit is 50% of the amount donated, not to exceed \$1,000. Unused credit may be carried over for a period of 4 years.
Estimate: \$82,000 / 501 Returns
Data Source: Income Tax Returns
Reliability: 1
16. ***Investment Incentive Credit, 68 O.S. § 2357.81***
An income tax credit is allowed for new or expanded facilities located within certain qualified incentive districts based on an ad valorem abatement. Any unused credit allowed, but not used, may be carried over for 10 years. This credit was repealed, effective January 1, 2014.
Estimate: \$0
Data Source: Income Tax Returns
Reliability: 1
17. ***Credit for Eligible Taxpayer's Qualified Railroad Reconstruction or Replacement Expenditures, 68 O.S. § 2357.104***
Eligible taxpayers may qualify for a transferable income tax credit equal to 50% of qualified track improvement expenditures up to a cap of \$5,000 multiplied by the miles of railroad track owned or leased by that taxpayer within Oklahoma. Unused credits can be transferred and/or carried forward for 5 years following the year of qualification. The credit is capped at \$5 million per year.
Estimate: \$497,000 / 10 Returns
Data Source: Income Tax Returns
Reliability: 1
18. ***Strategic Industrial Development Enhancement (SIDE) Credit, 68 O.S. § 2357.105***
An income tax credit is allowed for amounts invested in strategic industrial development enhancement projects, effective for tax years 2023 through 2027. The credit is allocated by the Oklahoma Department of Commerce to a qualifying project and is transferable. Credits allocated by Commerce may not exceed \$12 million per year.
Estimate: *Information Unavailable. This credit was effective beginning with tax year 2023.*

19. **Scholarship-Granting Organizations, 68 O.S. § 2357.206**

An income tax credit is allowed for 50% of the amount donated to a scholarship granting organization (SGO), not to exceed \$1,000 for each taxpayer, \$2,000 for married taxpayers filing jointly, or \$100,000 for a legal business entity. The SGO credit is capped at \$25 million per year. Unused credit may be carried over for a period of 3 years.

Estimate: \$4,681,000 / 1,427 Returns

Data Source: Income Tax Returns

Reliability: 1

20. **Educational Improvement Grant Organizations, 68 O.S. § 2357.206**

An income tax credit is allowed for 50% of the amount donated to an educational improvement grant organization not to exceed \$1,000 for each taxpayer, \$2,000 for married taxpayers filing jointly, or \$100,000 for a legal business entity. The amount of credit for contributions to educational improvement grant organizations, public school foundations, and public school districts is capped \$25 million per year. Unused credit may be carried over for a period of 3 years.

Estimate: \$347,000 / 40 Returns

Data Source: Income Tax Returns

Reliability: 1

21. **Public School Foundations or Public School Districts, 68 O.S. § 2357.206**

An income tax credit is allowed for 50% of the amount donated to a public school foundation, or public school district not to exceed \$1,000 for each taxpayer, \$2,000 for married taxpayers filing jointly, or \$100,000 for a legal business entity. The amount of credit for contributions to educational improvement grant organizations, public school foundations, and public school districts is capped \$25 million per year. Unused credit may be carried over for a period of 3 years.

Estimate: \$899,000 / 1,484 Returns

Data Source: Income Tax Returns

Reliability: 1

22. **Credit for Employers in the Aerospace Sector, 68 O.S. §§ 2357.302 and 2357.303**

A qualified employer is allowed an income tax credit for tuition reimbursement and/or compensation paid to a qualified employee. The amount of the tuition credit is 50% of the tuition reimbursed to a qualified employee for the first through fourth years of employment, and the amount of the compensation credit is 10% of the compensation paid for the first through fifth years of employment in the aerospace sector if the qualified employee graduated from an institution located in Oklahoma, or 5% if the qualified employee graduated from an institution located outside this state. The credit for compensation cannot exceed \$12,500 for each qualified employee annually.

Estimate: \$248,000 / 52 Returns

Data Source: Income Tax Returns

Reliability: 1

23. ***Credit for Employees in the Aerospace Sector, 68 O.S. § 2357.304***
 A qualified employee is allowed an income tax credit of \$5,000 per year for a period of time not to exceed 5 years. Any credit claimed, but not used, may be carried over up to 5 subsequent taxable years during the lifetime of the qualified employee.
Estimate: \$9,161,000 / 2,722 Returns
Data Source: Income Tax Returns
Reliability: 1
24. ***Affordable Housing Tax Credit, 68 O.S. § 2357.403***
 An income tax credit, equal to the amount of the federal low-income housing tax credit but not to exceed \$4 million per allocation year, is allowed for qualified housing projects placed in service after July 1, 2015. Any credit not used can be carried forward against subsequent income tax liabilities for a period of 2 years.
Estimate: \$532,000 / 7 Returns
Data Source: Income Tax Returns
Reliability: 1
25. ***Credit for Employers in the Vehicle Manufacturing Industry, 68 O.S. § 2357.404***
 A qualified employer is allowed an income tax credit for tuition reimbursement and/or compensation paid to a qualified employee. The amount of the tuition credit is 50% of the tuition reimbursed to a qualified employee for the first through fourth years of employment, and the amount of the compensation credit is 10% of the compensation paid for the first through fifth years of employment in the vehicle manufacturing sector if the qualified employee graduated from an institution located in Oklahoma, or 5% if the qualified employee graduated from an institution located outside this state. The credit for compensation cannot exceed \$12,500 for each qualified employee annually.
Estimate: \$0
Data Source: Income Tax Returns
Reliability: 1
26. ***Credit for Employees in the Vehicle Manufacturing Industry, 68 O.S. § 2357.404***
 A qualified employee is allowed an income tax credit of \$5,000 per year for a period not to exceed 5 years. Any credit claimed, but not used, may be carried over up to 5 subsequent taxable years.
Estimate: \$29,000 / 10 Returns
Data Source: Income Tax Returns
Reliability: 1
27. ***Software or Cybersecurity Employee Tax Credit, 68 O.S. § 2357.405***
 An income tax credit is allowed for individuals employed as qualified software or cybersecurity employees effective for tax years 2020 through 2029. The amount of the credit is either \$2,200 or \$1,800, depending upon the employee's level of education and is available for no more than 7 years.
Estimate: \$1,224,000 / 226 Returns
Data Source: Income Tax Returns
Reliability: 1

28. **Verified Blood Donation Tax Credit, 68 O.S. § 2357.406**

An income tax credit in the amount of \$20 for each qualified donation is allowed for employers for each verified blood donation made by an employee as part of a blood drive that is organized by an Oklahoma nonprofit blood donation organization in coordination with an employer or group of employers. Total credits are capped at \$500,000 per year.

Estimate: \$40,000 / 271 Returns

Data Source: Income Tax Returns

Reliability: 1

29. **Adoption Expense Credit, 68 O.S. § 2357.601**

A refundable income tax credit is allowed for nonrecurring adoption expenses paid by a resident individual taxpayer in connection with the adoption of a minor or the proposed adoption of a minor that did not result in a decreed adoption. The credit is 10% of qualified expenses, not to exceed \$2,000 per calendar year with respect to single filing status or married filing separate income tax returns, and not to exceed \$4,000 per calendar year with respect to married filing joint return filing status.

Estimate: *Information Unavailable. This credit was effective beginning with tax year 2023.*

30. **Volunteer Firefighter Credit, 68 O.S. § 2358.7**

An income tax credit of \$200 or \$400² is allowed for a volunteer firefighter who completes annual continuing education, training, and certification requirements.

Estimate: \$709,000 / 2,233 Returns

Data Source: Income Tax Returns

Reliability: 1

31. **Small Business Guaranty Fee Credit, 68 O.S. § 2370.1**

Certain financial institutions, whose main office is located in Oklahoma, are entitled to claim as a credit against the "in lieu" tax the amount of the guaranty fees the financial institution pays to the SBA under certain SBA loan programs. Any credit allowed, but not used, may be carried over for a period of 5 years.

Estimate: \$154,000 / 4 Returns

Data Source: Income Tax Returns

Reliability: 1

32. **Low Income Property Tax Relief, 68 O.S. § 2907**

A refundable income tax credit is allowed for an Oklahoma taxpayer, head of household, at least 65 years of age or totally disabled, with a gross household income that does not exceed \$12,000. The credit is based on the amount of property tax that exceeds 1% of the household income, limited to a maximum credit of \$200.

Estimate: \$333,000 / 1,787 Returns

Data Source: Income Tax Returns

Reliability: 1

² Beginning with tax year 2024, the amount of the credit is increased to \$300 or \$600, based on training and certification requirements.

33. ***Oklahoma Rural Jobs Credit, 68 O.S. § 3934***
 Provides for an income tax credit for investments made in rural funds. Any unused credit can be carried forward against subsequent income tax liabilities for a period of 5 years.
Estimate: \$5,800 / 21 Returns
Data Source: Income Tax Returns
Reliability: 1
34. ***Sales Tax Relief, 68 O.S. § 5011***
 Persons domiciled in Oklahoma during the entire calendar year and whose gross household income does not exceed \$20,000 for individuals and \$50,000 for those who claim a dependent, are at least 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 a refundable income tax credit in the amount of \$40 per qualified exemption.
Estimate: \$28,619,000 / 357,684 Returns
Data Source: Income Tax Returns
Reliability: 1
35. ***Oklahoma Research and Development Incentives Act, 68 O.S. § 54006***
 An income tax credit is allowed for a net increase in the number of full-time-equivalent employees engaged in computer services, data processing or research and development. The amount of the credit is \$500 for each new employee, but not to exceed 50 new employees. Any credits allowed, but not used, in any taxable year may be carried over in order to each of the 4 years following the year of qualification and, to the extent not used in those years, in order to each of the 5 years following the initial 4-year period. This credit was repealed effective January 1, 2014.
Estimate: \$12,000 / 24 Returns
Data Source: Income Tax Returns
Reliability: 1
36. ***Parental Choice Tax Credit – Private School Credit, 70 O.S. § 28-101(C)(1)***
 An income tax credit is allowed for qualified expenses to support the education of eligible students in Oklahoma. The amount of the credit varies based on the amount of tuition and fees and the federal adjusted gross income of the parents or legal guardians of the eligible student. The total amount of credits cannot exceed \$150 million for tax year 2024, \$100 million for January 1 through June 30, 2025, and \$250 million for fiscal year 2026 and subsequent fiscal years.
Estimate: \$75,000,000 in prepaid 2024 tax credits were issued in FY2024³
 / 27,048 Approved Applications
Data Source: Tax Commission Records
Reliability: 1

³ The remaining \$75,000 of tax year 2024 credits will be issued in FY2025.

37. **Parental Choice Tax Credit – Homeschool Credit, 70 O.S. § 28-101(C)(2)**
 An income tax credit is allowed for qualified expenses paid by an Oklahoma taxpayer for the homeschool education of an eligible student. The amount of the credit is 100% of qualified expenses, not to exceed \$1,000 per eligible student per tax year. For tax year 2025, and subsequent tax years, the total amount of credits cannot exceed \$5 million annually.
Estimate: *Information Unavailable. This credit was effective beginning with tax year 2024.*
38. **Parental Choice Tax Credit – Credit for Students Experiencing Homelessness, 70 O.S. § 28-101(C)(3)**
 An income tax credit is allowed for an eligible student who attends an accredited private school that exclusively serves students experiencing homelessness. The amount of the credit is \$7,500 or the amount of the cost to educate the eligible student at the private school, whichever is less.
Estimate: \$0⁴
Data Source: Tax Commission Records
Reliability: 1
39. **Parental Choice Tax Credit – Credit for Financially Disadvantaged Students, 70 O.S. § 28-101(C)(4)**
 An income tax credit is allowed for an eligible student who attends an accredited private school that primarily serves financially disadvantaged students. The amount of the credit is \$7,500 or the amount of the cost to educate the eligible student at the private school, whichever is less.
Estimate: \$0⁴
Data Source: Tax Commission Records
Reliability: 1
40. **Oklahoma Capital Investment Board, 74 O.S. § 5085.7**
 The Oklahoma Capital Investment Board is allowed to sell up to \$20 million in income tax credits under certain circumstances per fiscal year.
Estimate: \$3,145,000 / 15 Returns
Data Source: Income Tax Returns
Reliability: 1

⁴ Tax year 2024 credit payments are expected to be made in FY2025.

B. DEDUCTIONS AND EXEMPTIONS

Oklahoma allows deductions and exemptions to taxpayers in computing Oklahoma taxable income under certain conditions.⁵ The amount of the deduction or exemption varies. Exemptions generally refer to a personal allowance or specific monetary exemption that may be claimed by an individual to reduce Oklahoma taxable income. A tax deduction is a reduction of a taxpayer's total income that decreases the amount of taxable income used in calculating the income tax. Expenditure estimates below reflect income tax filings for 2022 tax year.

1. ***Oil and Gas Allowance, 68 O.S. § 2353***

An income tax deduction is available as an allowance for depletion based upon cost of oil and gas deposit.

Estimate: \$17,381,000 / 76,959 Returns

Data Source: Oklahoma Individual Income Tax Micro-Simulator

Reliability: 2

2. ***Deduction for Living Organ Donation, 68 O.S. § 2358***

A one-time income tax deduction for individual taxpayers of up to \$10,000 is allowed for unreimbursed expenses for the donation of one or more human organs. The donor must donate the organ while living to qualify for the deduction.

Estimate: *Information Unavailable. This deduction is commingled with several others on Oklahoma income tax form 511.*

3. ***Taxpayers with Physical Disabilities, 68 O.S. § 2358***

Individual Oklahoma resident taxpayers with physical disabilities may deduct the expenditures to modify a motor vehicle, home, or workplace to compensate for their handicap.

Estimate: Minimal

Data Source: Oklahoma Individual Income Tax Micro-Simulator

Reliability: 2

4. ***Nonrecurring Adoption Expenses, 68 O.S. § 2358***

Nonrecurring adoption expenses incurred in connection with the adoption or proposed adoption of a minor may be deducted from Oklahoma adjusted gross income, through tax year 2022. The deduction is limited to \$20,000 per calendar year.

Estimate: \$148,000 / 532 Returns

Data Source: Oklahoma Individual Income Tax Micro-Simulator

Reliability: 2

5. ***Oklahoma College Savings Plan Act, 68 O.S. § 2358***

An income tax deduction is allowed for contributions to an account established under the Oklahoma College Savings Plan Act, up to \$10,000 for each individual taxpayer or \$20,000 for taxpayers filing a joint return.

Estimate: \$4,651,000 / 16,461 Returns

Data Source: Oklahoma Individual Income Tax Micro-Simulator

Reliability: 2

⁵ While some of these deductions and exemptions are available for both corporate and individual income tax filers, aggregate data for corporate filers is not available. The tax expenditure estimates in this report for deductions and exemptions that are available for both corporate and individual filers reflect only individual income tax.

6. **Members of the Armed Services, 68 O.S. § 2358**

100% of income received from the United States as salary or compensation, other than retirement benefits, as a member of the U.S. Armed Forces is allowed as a deduction from taxable income.

Estimate: \$30,216,000 / 22,290 Returns

Data Source: Oklahoma Individual Income Tax Micro-Simulator

Reliability: 2

7. **Itemized/Standard Deductions, 68 O.S. § 2358**

Individual taxpayers may either itemize their deductions or claim an Oklahoma standard deduction. If using itemized deductions, those will be the same as claimed for federal income tax purposes. The amount of the Oklahoma standard deduction is equal to the amount of tax year 2017 federal standard deduction.

Estimate: \$559,151,000 / 1,701,659 Standard Deduction Returns

\$81,813,000 / 166,472 Itemized Deductions Returns

Data Source: Oklahoma Individual Income Tax Micro-Simulator

Reliability: 2

8. **Swine and Poultry Producers, 68 O.S. § 2358**

An income tax deduction from adjusted gross income is allowed for the depreciation of new construction or expansion costs incurred by swine and poultry producers.

Estimate: *Information Unavailable. This deduction is commingled with several others on Oklahoma income tax form 511.*

9. **Oklahoma Police Corps Scholarship Program, 68 O.S. § 2358**

An income tax deduction is allowed, by individual taxpayers, of federally taxable scholarship or stipend income if received from the Oklahoma Police Corps Scholarship Program.

Estimate: *Information Unavailable. This deduction is commingled with several others on Oklahoma income tax form 511.*

10. **Deduction for Discharge of Farm Indebtedness Income, 68 O.S. §2358**

An income tax deduction is allowed by individual taxpayers due to the discharge of farm indebtedness.

Estimate: *Information Unavailable. This deduction is commingled with several others on Oklahoma income tax form 511.*

11. **Oklahoma Source Capital Gain Deduction, 68 O.S. § 2358**

Taxpayers may deduct certain qualifying capital gains that are included in federal adjusted gross income or federal taxable income. The qualifying gain must be earned on real or tangible personal property located within Oklahoma, be earned on the sale of stock or ownership interest in an Oklahoma headquartered entity, or be earned on the sale of real property, tangible personal property or intangible personal property located within Oklahoma as part of the sale of all or substantially all of the assets of an Oklahoma headquartered entity or an Oklahoma proprietorship business enterprise.

Estimate: \$161,896,000 / 20,206 Returns

Data Source: Oklahoma Individual Income Tax Micro-Simulator

Reliability: 2

12. ***Transfers of Technologies to Small Business, 68 O.S. § 2358***
 Royalty payments received for transfers of technologies to qualified Oklahoma small businesses are exempt from taxable income.
Estimate: *Information Unavailable. This exemption is commingled with several others on Oklahoma income tax form 511.*
13. ***Personal Exemption, 68 O.S. § 2358***
 A personal exemption of \$1,000 in lieu of the federal personal exemption is allowed in calculating Oklahoma taxable income for an individual taxpayer.
Estimate: \$127,908,000 / 1,797,471 Returns
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
14. ***Blind Individuals, 68 O.S. § 2358***
 An income tax exemption of \$1,000 is allowed for each individual taxpayer or spouse who is blind at the close of the tax year.
Estimate: \$115,000 / 4,355 Returns
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
15. ***Individuals 65 or Older, 68 O.S. § 2358***
 An income tax exemption of \$1,000 is allowed for each individual taxpayer or spouse who is 65 years of age or older; provided certain income limitations apply.
Estimate: \$197,000 / 85,663 Returns
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
16. ***Government Retirement Benefits, 68 O.S. § 2358***
 An income tax exemption is allowed for the first \$10,000 of most Oklahoma and federal government retirement benefits that are included in federal adjusted gross income.
Estimate: \$24,584,000 / 64,665 Returns
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
17. ***Social Security Benefits, 68 O.S. § 2358***
 An income tax exemption is allowed for 100% of social security benefits to the extent the social security benefits are included in federal adjusted gross income.
Estimate: \$206,078,000 / 262,808 Returns
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
18. ***Civil Service Retirement in Lieu of Social Security Benefits, 68 O.S. § 2358***
 An income tax exemption is allowed for 100% of certain federal civil service benefits received in lieu of social security benefits.
Estimate: \$30,319,000 / 19,232 Returns
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2

19. ***Military Retirement Benefits, 68 O.S. § 2358***
 An income tax exemption is allowed for 100% of military retirement benefits from any component of the U.S. Armed Forces.
Estimate: \$32,416,000 / 28,851 Returns
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
20. ***Private Retirement Benefits, 68 O.S. § 2358***
 An income tax exemption of up to \$10,000 is allowed for specified private retirement benefits included in federal adjusted gross income.
Estimate: \$88,122,000 / 273,923 Returns
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2
21. ***Deferred Compensation, 68 O.S. § 2358***
 Lump-sum distributions from employer deferred compensation plans, which are not plans within the Internal Revenue Code, deposited in separate bank accounts, are excluded from an individual's taxable income.
Estimate: *Information Unavailable. This exemption is commingled with several others on Oklahoma income tax form 511.*
22. ***Medical Savings Account, 68 O.S. § 2358***
 Contributions made to a medical savings account and interest earned are exempt from an individual's taxable income.
Estimate: *Information Unavailable. This exemption is commingled with several others on Oklahoma income tax form 511.*
23. ***Agricultural Commodity Processing Facilities, 68 O.S. § 2358***
 An exclusion from taxable income, in the amount of 15% of the investment for new or expanded agricultural commodity processing facilities, is allowed.
Estimate: *Information Unavailable. This exemption is commingled with several others on Oklahoma income tax form 511.*
24. ***Safety Pays OSHA Consultation Service Exemption, 68 O.S. § 2358***
 An employer that utilizes the Safety Pays OSHA Consultation Service provided by the Oklahoma Department of Labor is entitled to a \$1,000 exemption for the tax year the service is utilized.
Estimate: *Information Unavailable. This exemption is commingled with several others on Oklahoma income tax form 511.*
25. ***Competitive Livestock Show Award, 68 O.S. § 2358***
 The recipient of an award for participation in a competitive livestock show event may exclude from taxable income the amount of the award, not to exceed \$600.
Estimate: *Information Unavailable. This exemption is commingled with several others on Oklahoma income tax form 511.*
26. ***Poll Worker Exemption, 68 O.S. § 2358***
 An employer providing paid leave to an employee for the purpose of volunteering as a poll worker with a county election board in Oklahoma may exclude from taxable income \$100 for each day of leave provided in the tax year.
Estimate: *Information Unavailable. This exemption will be effective beginning in tax year 2025.*

27. **Prisoners of War, 68 O.S. § 2358.1**
 Income of members of the U.S. Armed Forces and certain civilians who have been detained as prisoners of war or are listed as missing in action are exempt from state income taxes. The income of spouses and dependents of such persons is eligible for an exemption from Oklahoma income tax for the duration of the prisoner of war or missing in action status. Section 2358.1 further provides for refund provisions on taxes paid during prisoner of war or missing in action status.
Estimate: \$0
Data Source: Income Tax Returns
Reliability: 1
28. **Deceased Member of Armed Forces and Spouse, 68 O.S. § 2358.1A**
 Any payment made by the U.S. Department of Defense (USDOD) as a result of the death of a member of the U.S. Armed Forces who has been killed in action in a USDOD designated combat zone is exempt from Oklahoma income tax during the taxable year in which the individual is declared deceased by the U.S. Armed Forces. Any income earned by the spouse of a member of the Armed Forces who has been killed in action in a USDOD designated combat zone is exempt from Oklahoma income tax during the taxable year in which the individual is declared deceased by the Armed Forces.
Estimate: *Information Unavailable*
29. **Foster Care Deduction, 68 O.S. § 2358.5-1**
 An income tax deduction of up to \$5,000 is allowed for expenses incurred to provide care for a foster child.
Estimate: \$228,000 / 1,433 Returns
Data Source: Income Tax Returns
Reliability: 1
30. **Tax Incentives for Inventors, 74 O.S. § 5064.7**
 Royalty income is exempt from state income taxes for a period of 7 years upon certain 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 65% of depreciable property purchased and directly used in manufacturing the product, not to exceed \$500,000.
Estimate: *Information Unavailable. This exemption is commingled with several others on Oklahoma income tax form 511.*
31. **Small Business Incubators – Tenants, 74 O.S. § 5078**
 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 10 years.
Estimate: *Information Unavailable. This exemption is commingled with several others on Oklahoma income tax form 511.*
32. **Oklahoma First-Time Home Buyer Savings Account, 46 O.S. § 311 et seq.**
 Oklahoma residents may deduct from Oklahoma taxable income the amount contributed to a home buyer savings account, as well as exclude from Oklahoma taxable income the amount of earnings, including interest and other income on the principal in an eligible home buyer savings account.
Estimate: *Information Unavailable. This exemption is commingled with several others on Oklahoma income tax form 511.*

C. BONDS, NOTES AND OBLIGATIONS

Oklahoma exempts the interest and other income earned on certain bonds, notes, and obligations from Oklahoma income tax. Tax return source data does not typically show this data; therefore, estimates are unavailable.

1. ***Municipal Power Authority, 11 O.S. § 24-106 (MPA)***
Income and interest earned on bonds and notes of the MPA are nontaxable.
2. ***Urban Renewal Authorities, 11 O.S. § 38-115 (URA)***
Income and interest earned on bonds and notes of the URA are nontaxable.
3. ***Public Rural Ambulance Service Districts, 19 O.S. § 1220***
Income interest and capital gains on securities and evidences of indebtedness issued by public rural ambulance service districts are exempt from income tax.
4. ***State of Oklahoma Building Bonds, 62 O.S. § 57.4 (OBB)***
All bonds issued pursuant to this act, and the interest thereon, is not subject to taxation by the State of Oklahoma.
5. ***State of Oklahoma Building Bonds of 1961, 62 O.S. § 57.34***
Income derived from OBB of 1961 is not subject to taxation by the State of Oklahoma.
6. ***State of Oklahoma Building Bonds of 1965, 62 O.S. § 57.54***
Income derived from State of OBB of 1965 is not subject to taxation by the State of Oklahoma.
7. ***State of Oklahoma Institutional Building Bonds of 1965, 62 O.S. § 57.64***
Income derived from State of Oklahoma Institutional Building Bonds of 1965 is not subject to taxation by the State of Oklahoma.
8. ***Local Industrial Development Act, 62 O.S. § 660 (LIDA)***
Bonds issued under the LIDA are exempt from all state taxes.
9. ***University Hospital Authority Revenue Bonds, 63 O.S. § 3218 (UHA)***
UHA revenue bonds are exempt from taxation by the State of Oklahoma and any political subdivision thereof, including the income therefrom, and any gain from the sale thereof.
10. ***Bond Interest Income, 68 O.S. § 2358.5***
Interest from local government obligations issued after July 1, 2001, by or on behalf of Oklahoma educational institutions, cities, towns, counties or public trusts (in which any of the foregoing are beneficiaries) is exempt from Oklahoma income tax.
11. ***Oklahoma Turnpike Authority, 69 O.S. § 1714 (OTA)***
The OTA is not required to pay any taxes or assessments on any project or property acquired under the statute creating and governing the OTA. Any income earned by the OTA, as well as any bond issued by the OTA, is exempt from state taxation. In the event the OTA leases property for concessions, that transaction creates a taxable event.

12. ***Oklahoma Educational Television Authority, 70 O.S. § 23-116 (OETA)***
Income earned by the OETA and income derived from bonds issued by the OETA are exempt from income tax.
13. ***Oklahoma Student Loan Authority Bonds, 70 O.S. § 695.3 (OSLA)***
Bonds and the income from bonds issued by the OSLA are exempt from income tax.
14. ***Independent School Districts – Stadium, Sports Arena, & Recreation Facilities Construction Revenue Bonds, 70 O.S. § 821.4***
Any bond issued pursuant to 70 O.S. § 821 et seq. is exempt from income tax.
15. ***Board of Regents of Specific Institutions of Higher Learning Authorized to Issue Tax Exempt Bonds, 70 O.S. § 4002***
Bonds issued by various boards of regents of institutes of higher learning are exempt from income tax.
16. ***Oklahoma Tuition Trust, 70 O.S. § 6014 (OTT)***
The property and income of the OTT are exempt from taxation. Purchasers of advance tuition payments administered by the OTT are allowed to deduct those payments from taxable income in the year the purchase was made.
17. ***Oklahoma Industrial Finance Authority – State Industrial Finance Bonds, 74 O.S. § 856 (OIFA)***
Income derived from bonds of OIFA is exempt from income tax.
18. ***Native American Cultural & Educational Authority of Oklahoma, 74 O.S. § 1226.10 (Authority)***
The Authority 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.
19. ***Oklahoma Development Finance Authority Bonds, 74 O.S. § 5062.11 (ODFA)***
Income derived from bonds issued by the ODFA is exempt from income tax.
20. ***Credit Enhancement Reserve Fund General Obligation Bonds Issued by the Oklahoma Development Finance Authority, 74 O.S. § 5063.18 (CERFGO)***
Interest and income from CERFGO bonds issued by the ODFA are exempt from income tax.
21. ***Irrigation Districts, 82 O.S. § 277.17***
All bonds, notes, and warrants, as well as interest thereon, issued pursuant to the Oklahoma Irrigation District Act are exempt from income tax.
22. ***Conservancy Districts/Conservancy Bonds, 82 O.S. § 688***
Interest on any bond, note or warrant issued by a conservancy district is exempt from income tax.
23. ***Grand River Dam Authority, 82 O.S. § 876 (GRDA)***
Bonds and interest on bonds issued by the GRDA are exempt from income tax.
24. ***Water Resources Board Investment Certificates, 82 O.S. § 1085.33 (WRB)***
Income derived from WRB Investment Certificates is exempt from income tax.

25. ***Port Authority Bonds, 82 O.S. § 1124***
Income derived from bonds issued by a port authority is exempt from income tax.
26. ***Regional Water Districts, 82 O.S. § 1274***
Interest and capital gains on obligations, securities, and evidences of indebtedness of regional water districts are exempt from income tax.
27. ***Rural Water, Sewer, Gas & Solid Waste Management Districts, 82 O.S. § 1324.22***
Interest and capital gains on securities or evidences of indebtedness of rural water, sewer, gas, and solid waste management districts are exempt from income tax.

D. EXEMPT ENTITIES

Oklahoma statutes exempt a variety of entities from Oklahoma income tax. These include certain governmental entities, quasi-governmental agencies, and certain other tax-exempt organizations. Most do not have income tax filing requirements with the Oklahoma Tax Commission; therefore, an estimate of the tax expenditure is unavailable.

1. ***Airport Property & Income, 3 O.S. § 65.17***
Any property in this state acquired by municipalities operating an airport for public purposes is exempt from Oklahoma state taxation.
2. ***Investment of Surplus Funds of Cemetery Corporations, 8 O.S. § 17***
Surplus funds of cemetery corporations to be invested in secure real estate or securities to ensure perpetual maintenance and improvement of the cemetery are exempt from Oklahoma state taxation.
3. ***Municipal Power Authority, 11 O.S. § 24-106***
Property of the Municipal Power Authority is nontaxable by the State of Oklahoma.
4. ***Rural Electric Cooperatives, 18 O.S. § 437.25***
Income earned by rural electric cooperatives is exempt from income tax.
5. ***Oklahoma Property and Casualty Insurance Guaranty Association, 36 O.S. § 2017***
The Association is exempt from payment of all fees and all taxes levied by the State of Oklahoma.
6. ***Oklahoma Life and Health Insurance Guaranty Association, 36 O.S. § 2040***
The Association is exempt from payment of all fees and all taxes levied by the State of Oklahoma, except taxes levied on real property.
7. ***Nonprofit Hospital Service and Medical Indemnity Corporations, 36 O.S. § 2617***
Income earned by nonprofit hospital service and medical indemnity corporations is exempt from income tax.
8. ***Nonprofit Optometric Service and Indemnity Corporations, 36 O.S. § 2665***
Income earned by nonprofit optometric service and indemnity corporations is exempt from income tax.

9. ***Nonprofit Dental Service Corporations, 36 O.S. § 2685***
Income earned by nonprofit dental service corporations is exempt from Oklahoma income tax.
10. ***Nonprofit Chiropractic Service Corporations, 36 O.S. § 2691.15***
Income earned by nonprofit chiropractic service corporations is exempt from Oklahoma income tax.
11. ***Housing Authorities, 63 O.S. § 1066***
Property and funds of housing authorities are exempt from all state taxes. This tax exemption does not apply to any portion of the project used by a profit-making enterprise.
12. ***Exempt Organizations, 68 O.S. § 2359***
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.
13. ***Oklahoma Turnpike Authority, 69 O.S. § 1714 (OTA)***
The OTA is not required to pay any taxes or assessments on any project or property acquired under the statute creating and governing the OTA. Any income earned by the OTA, as well as any bond issued by the OTA, is exempt from state taxation. In the event the OTA leases property for concessions, that transaction creates a taxable event.
14. ***Oklahoma Educational Television Authority, 70 O.S. § 23-116 (OETA)***
The OETA is not required to pay any taxes or assessments upon any project or any property acquired or used by the OETA.
15. ***Oklahoma Tuition Trust, 70 O.S. § 6014 (OTT)***
The property and income of the OTT are exempt from taxation. Purchasers of advance tuition payments administered by the OTT are allowed to deduct those payments from taxable income in the year the purchase was made.
16. ***Native American Cultural & Educational Authority of Oklahoma, 74 O.S. § 1226.10 (Authority)***
The Authority 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.
17. ***Export Trading Companies, 74 O.S. § 2106***
An export trading company, with a registered office or other office in this state, is exempt from state corporate income tax and franchise tax for a period of 2 years from the date the Tax Commission certifies the export trading company as a qualified export trading company.
18. ***Oklahoma Center for the Advancement of Science and Technology, 74 O.S. § 5060.9 (OCAST)***
The OCAST is exempt from all franchise, corporate business and income taxes levied by the state of Oklahoma.

E. MISCELLANEOUS INCOME TAX EXPENDITURES

1. **Qualified Refinery Property, 68 O.S. § 2357.204**
Qualified Oklahoma refineries may elect to expense the cost of qualified refinery property that is not chargeable to a capital account.
Estimate: *Information Unavailable. This expense is commingled with several others on the Oklahoma income tax return.*

2. **Cost of Complying with Sulfur Regulations, 68 O.S. § 2357.205**
Qualified Oklahoma refineries may elect to allocate all or a portion of the cost of complying with sulfur regulations to its owners.
Estimate: *Information Unavailable. This expense is commingled with several others on the Oklahoma income tax return.*

3. **Net Operating Losses, 68 O.S. § 2358**
Oklahoma net operating losses can be used to offset another year's taxable income. Losses may either be carried forward or carried back at the option of the taxpayer.
Estimate: \$41,251,000⁶/ 21,223 Returns
Data Source: Oklahoma Individual Income Tax Micro-Simulator
Reliability: 2

4. **Income Averaging for Farmers, 68 O.S. § 2358.4**
Farmers may elect to compute Oklahoma income tax using the income averaging method.
Estimate: *Information Unavailable*

⁶ While net operating losses are available for both corporate and individual income tax filers, aggregate data for corporate filers is unavailable. The tax expenditure estimate for net operating losses reflects only individual income tax due to the data limitation.

III. SALES AND USE TAXES

1. ***Rural Electric Cooperatives, 18 O.S. § 437.25***
Purchases by rural electric cooperatives and foreign corporations transacting business under the Rural Electric Cooperative Act.
Estimate(Sales Tax): \$9,612,000
Data Source: OU/OSU Group
Reliability: 3
2. ***Rural Water and Sewer Districts, 18 O.S. § 863***
Purchases by nonprofit corporations organized for the purpose of developing and providing rural water supply and sewage disposal facilities.
Estimate: *Information Unavailable*
3. ***Ambulance Service Districts, 19 O.S. § 1220***
Purchases made by ambulance service districts.
Estimate: *Information Unavailable*
4. ***Oklahoma Property and Casualty Insurance Guaranty Association, 36 O.S. § 2017***
Purchases made by the Oklahoma Property and Casualty Insurance Guaranty Association.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
5. ***Oklahoma Life and Health Insurance Guaranty Association, 36 O.S. § 2040***
Purchases made by the Oklahoma Life and Health Insurance Guaranty Association.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
6. ***Oklahoma Housing Authority, 63 O.S. § 1066***
Purchase of property by an Oklahoma housing authority.
Estimate(Sales Tax): \$43,000
Data Source: OU/OSU Group
Reliability: 3
7. ***Newspapers and Periodicals, 68 O.S. § 1354***
Sales of newspapers and periodicals.
Estimate(Sales Tax): \$2,276,000
Data Source: Tax Commission Records
Reliability: 1
8. ***Water, Sewage and Refuse Services, 68 O.S. § 1354***
Sales of water, sewage, and refuse services.
Estimate(Sales Tax): \$19,637,000
Data Source: OU/OSU Group
Reliability: 3
9. ***Tourism Broker Transportation Services, 68 O.S. § 1354***
Transportation services provided by a tourism service broker that are incidental to the rendition of tourism brokerage services.
Estimate(Sales Tax): \$739,000
Data Source: OU/OSU Group
Reliability: 3

10. **Funeral Home Transportation Services, 68 O.S. § 1354**
 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): \$439,000
Data Source: OU/OSU Group
Reliability: 3

11. **Scientific/Educational Lab Printing, 68 O.S. § 1354**
 Services of printing, copying or photocopying by a privately owned scientific and educational library.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.

12. **Credit for Contractors after Sales Tax Increase, 68 O.S. § 1354**
 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): \$0⁷

13. **Sales of Admission Tickets by Aquariums, 68 O.S. § 1354**
 Sales of admission tickets by aquariums exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C. §501(c)(3), or owned or operated by a public trust or political subdivision of this state, shall be collected and disbursed to the entity responsible for the aquarium's operations for use by that entity for promoting visitation primarily to out-of-state residents.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.

14. **Leases of Motor Vehicles, 68 O.S. § 1355**
 Leases for a period of 12 months or more of motor vehicles.
Estimate: *Information Unavailable*

15. **Leases of Aircraft, 68 O.S. § 1355**
 Leases of aircraft upon which the owners have paid the aircraft excise tax or are exempt from such tax.
Estimate: *Information Unavailable*

16. **United States Government, or Agents of the U.S. Government, 68 O.S. § 1356**
 Sales of property/services to the U.S. Government, or sales to agents of the U.S. Government wherein ownership and possession transfer immediately to the U.S. Government
Estimate: \$0⁸

17. **State of Oklahoma, 68 O.S. § 1356**
 Sales of property/services to the State of Oklahoma and its political subdivisions.
Estimate(Sales Tax): \$138,982,000
Data Source: OU/OSU Group
Reliability: 3

⁷ Not applicable for FY24; last increase to state sales tax rate was effective February 1, 1990.

⁸ 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.

18. **Federally Funded Facility, 68 O.S. § 1356**
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: *Information Unavailable*
19. **County, District, or State Fair Authorities, 68 O.S. § 1356**
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: *Information Unavailable*
20. **School Cafeterias, 68 O.S. § 1356**
Sale of food in cafeterias or lunch rooms by elementary schools, high schools, colleges or universities.
Estimate(Sales Tax): \$9,090,000
Data Source: OU/OSU Group
Reliability: 3
21. **Fraternal, Religious, Civic, Charitable or Educational Societies, 68 O.S. §1356**
Dues paid to fraternal, religious, civic, charitable or educational societies or organizations by regular members thereof.
Estimate(Sales Tax): \$5,387,000
Data Source: OU/OSU Group
Reliability: 3
22. **Privately Owned Scientific and Educational Libraries, 68 O.S. § 1356**
Dues paid to privately owned scientific and educational libraries by members sharing the use of services rendered by such libraries with students interested in the study of geology, petroleum engineering, or related subjects.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
23. **Churches, 68 O.S. § 1356**
Sales of property/services to, or by, churches.
Estimate(Sales Tax): \$8,218,000
Data Source: OU/OSU Group
Reliability: 3
24. **Charitable Purposes, 68 O.S. § 1356**
Sales by nonprofit organizations making sales on behalf of, or at the request of, a church(es) during a single 3-day period each year, where the proceeds are used for charitable purposes.
Estimate: *Information Unavailable*
25. **Admission Tickets (College or University) , 68 O.S. § 1356**
Amount of proceeds from the 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: *Information Unavailable*

26. **Council Organizations, 68 O.S. § 1356**
 Sales of tangible personal property/services to Council Organizations of the Boy Scouts of America, Girl Scouts of U.S.A. and Campfire USA.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
27. **Subdivisions or Agencies of the State, 68 O.S. § 1356**
 Sales of property/services to any county, municipality, rural water district, public school district, city-county library system, the institutions of the Okla. State System of Higher Education, the Grand River Dam Authority, the Northeast Okla. Public Facilities Authority, Okla. Municipal Power Authority, City of Tulsa Rogers County Port Authority, Muskogee City-County Port Authority, the ODVA, the Broken Bow Economic Development Authority, Ardmore Development Authority, Durant Industrial Authority, Oklahoma Ordnance Works Authority, Central Okla. Master Conservancy District, Arbuckle Master Conservancy District, Fort Cobb Master Conservancy District, Foss Reservoir Master Conservancy District, Mountain Park Master Conservancy District, Waurika Lake Master Conservancy District and OMES only when carrying out a public construction contract on behalf of the ODVA, the University Hospital Trust, the OSU Medical Authority and Trust, and the OSU Veterinary Medicine Authority and Trust. 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): \$172,887,000
Data Source: OU/OSU Group
Reliability: 3
28. **Private Education Institutions, 68 O.S. § 1356**
 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): \$4,563,000
Data Source: OU/OSU Group
Reliability: 3
29. **Tuition and Educational Fees, 68 O.S. § 1356**
 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: *Information Unavailable*
30. **Sales by Schools, 68 O.S. § 1356**
 Sales of tangible personal property by a public/private school (K-12), public school district, public/private school board, public/private school student group or organization, parent-teacher association or organization, or public/private school personnel for the purpose of raising funds.
Estimate(Sales Tax): \$9,935,000
Data Source: OU/OSU Group
Reliability: 3
31. **4-H Clubs, 68 O.S. § 1356**
 Sales of tangible personal property by local, county, state or regional 4-H clubs, councils, committees, leader associations, foundations, camps, and training centers for the purpose of raising funds.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.

32. ***Athletic Event Admission Tickets, 68 O.S. § 1356***
 The first \$75,000 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: *Information Unavailable*
33. ***Development and Production of Advertising, Promotion, Publicity and Public Relations Programs for the Oklahoma Tourism & Recreation Department, 68 O.S. § 1356***
 Sales of tangible personal property/services to any person with whom the Oklahoma Tourism and Recreation Department has entered into a public contract and which is necessary for carrying out such contract to assist the Department in the development and production of advertising, promotion, publicity and public relations programs.
Estimate: *Information Unavailable*
34. ***Volunteer Fire Departments, 68 O.S. § 1356***
 Sales of property/services to volunteer fire departments for use by the fire department.
Estimate: *Information Unavailable*
35. ***Complimentary Admission Tickets, 68 O.S. § 1356***
Citation: 68 O.S. §1356
Description: Free tickets for admission to places of amusement, sports, or other activities that 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, 68 O.S. § 1356***
 The first \$15,000 of gross receipts each year from sales of tangible personal property by fire departments organized pursuant to Titles 11, 18 or 19 of the Oklahoma Statutes for the purpose of raising funds.
Estimate(Sales Tax): \$712,000
Data Source: OU/OSU Group
Reliability: 3
37. ***Boys and Girls Clubs of America, 68 O.S. § 1356***
 Sales of tangible personal property/services to any Boys and Girls Clubs of America affiliate in this state that is not affiliated with the Salvation Army.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
38. ***Court-Adjudicated Juvenile Facility, 68 O.S. § 1356***
 Sales of tangible personal property/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, 68 O.S. § 1356***
 Sales of property/services to federally-qualified health centers, indigent health care centers, and qualifying community-based health centers.
Estimate: *Information Unavailable*

40. ***Dues or Fees Paid to YMCAs or YWCAs, 68 O.S. § 1356***
 Dues or fees paid to YMCAs, YWCAs, or municipally-owned recreation centers for use of facilities or programs.
Estimate: *Information Unavailable*
41. ***Cultural Organizations, 68 O.S. § 1356***
 The first \$15,000 each year from sales by, or to, cultural organizations.
Estimate(Sales Tax): \$164,000
Data Source: Tax Commission Records
Reliability: 2
42. ***Accredited Museums, 68 O.S. § 1356***
 Sales of property/services to museums or other entities accredited by the American Association of Museums, a/k/a the American Alliance of Museums.
Estimate: \$69,000
Data Source: Nonprofit Entities
Reliability: 3
43. ***Non-Accredited Museums, 68 O.S. § 1356***
 Sales of tangible personal property/services to a museum that operates as part of an organization that is exempt from taxation pursuant to 26 U.S.C., § 501(c)(3) and is not accredited by the American Alliance of Museums. To qualify, the described entities must operate on an annual budget of less than \$1 million.⁹
Estimate: \$33,000
Data Source: Nonprofit Entities
Reliability: 3
44. ***Museum Admission Tickets, 68 O.S. § 1356***
 Sales of tickets for admission to museums accredited by the American Association of Museums, a/k/a the American Alliance of Museums.
Estimate: \$412,000
Data Source: Nonprofit Entities
Reliability: 3
45. ***Children's Homes, 68 O.S. § 1356***
 Sales of property/services to children's homes that are supported by one or more churches whose members serve as trustees of the home.
Estimate: *Information Unavailable*
46. ***Disabled American Veterans, 68 O.S. § 1356***
 Sales of property/services to the organization known as Disabled American Veterans, Department of Oklahoma, Inc., and subordinate chapters thereof.
Estimate: *Information Unavailable*
47. ***Youth Camps, 68 O.S. § 1356***
 Sales of property/services to youth camps supported or sponsored by one or more churches whose members serve as trustees of the organization.
Estimate: *Information Unavailable*

⁹ Effective November 1, 2021 through December 31, 2024.

48. **University Hospitals Trust and Nonprofit Organization with Joint Operating Agreement with the University Hospitals Trust, 68 O.S. § 1356**
 Effective July 1, 2022, transfer of tangible personal property/services to, or by, the University Hospitals Trust created pursuant to 63 O.S. § 3224 along with the transfer of tangible personal property/services to, or by, nonprofit entities which are exempt from taxation pursuant to 26 U.S.C., § 501(c)(3) which have entered into a joint operating agreement with the University Hospitals Trust.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
49. **Lease or Lease-Purchase Agreement, 68 O.S. § 1356**
 Sales of tangible personal property/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: *Information Unavailable*
50. **Spaceport Operations, 68 O.S. § 1356**
 A. Sales of tangible personal property/services to any spaceport user.
 B. Sale, use, storage, consumption, or distribution in this state of:
 (1) 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.
 (2) Any space facility, space propulsion system or space vehicle, satellite, or station of any kind possessing space flight capacity, including components thereof.
 (3) Tangible personal property placed on or used aboard any space facility, space propulsion system or space vehicle, satellite, or station possessing space flight capacity.
 C. 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.
 D. 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: \$0
Data Source: Tax Commission Records
Reliability: 1
51. **Admission Tickets Surcharge, 68 O.S. § 1356**
 Amount of surcharge or any other amount that is separately stated on an admission ticket that 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: *Information Unavailable*
52. **State Parks, 68 O.S. § 1356**
 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: *Information Unavailable*

53. **Parking Privileges, 68 O.S. § 1356**
 Sale, lease, or use of parking privileges by an institution of the Oklahoma State System of Higher Education.
Estimate: \$350,000
Data Source: Higher Education Sources
Reliability: 3
54. **Campus Construction Projects, 68 O.S. § 1356**
 Sales of tangible personal property/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 § 501(c)(3) nonprofit entities that are exempt from taxation.
Estimate: *Information Unavailable*
55. **School Construction Projects, 68 O.S. § 1356**
 Sales of tangible personal property/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 § 501(c)(3) nonprofit entities exempt from taxation.
Estimate: *Information Unavailable*
56. **National Championship Sports Event, 68 O.S. § 1356**
 Sales of tangible personal property/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: *Information Unavailable*
57. **Education Related to Robotics, 68 O.S. § 1356**
 Sales of tangible personal property/services to, or by, nonprofit organizations affiliated with a comprehensive university within the Oklahoma State System of Higher Education providing education and teachers training relating to robotics.
Estimate: *Information Unavailable*
58. **Youth Athletic Teams, 68 O.S. § 1356**
 The first \$15,000 in sales of tangible personal property to, or by, youth athletic teams, that are part of an organization that is exempt from taxation pursuant to § 501(c)(4), that are made to raise money for the team.
Estimate(Sales Tax): Minimal
Data Source: Tax Commission Records
Reliability: 2
59. **Championship Event Tickets, 68 O.S. § 1356**
 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, that are part of a tournament to determine regional or national championships at the college or university level.
Estimate: *Information Unavailable*
60. **Oklahoma City National Memorial, 68 O.S. § 1356**
 Sales of tangible personal property/services to, or by, a nonprofit organization operating the OKC National Memorial and Museum.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.

61. **Veterans' Organizations, 68 O.S. § 1356**
 Sales of tangible personal property/services to nonprofit veterans' organizations that furnish support to area veterans' organizations to be used for the purpose of constructing a memorial or museum.
Estimate: *Information Unavailable*
62. **Public Libraries, 68 O.S. § 1356**
 Sales of tangible personal property/services 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(Sales Tax): \$0
Data Source: Tax Commission Records
Reliability: 1
63. **Bordering States, 68 O.S. § 1356**
 Sales of tangible personal property/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: *Information Unavailable*
64. **Career Technology Student Organization, 68 O.S. § 1356**
 Sales of tangible personal property/services to the Career Technology Student Organizations under the supervision of the Oklahoma Department of Career and Technology Education.
Estimate(Sales Tax): Minimal
Data Source: Industry Sources
Reliability: 3
65. **Improvements or Expansions of Hospitals or Nursing Homes, 68 O.S. § 1356**
 Purchases made to improve or expand hospitals and nursing homes owned and operated by cities, towns, counties, or by public trusts having these units of political subdivision as their beneficiary, or to § 501(c)(3) organizations, or to the contractor or subcontractor with one of the above named entity types.
Estimate(Sales Tax): \$0
Data Source: Tax Commission Records
Reliability: 1
66. **Specialized Facilities Serving Physically and Mentally Handicapped Persons, 68 O.S. § 1356**
 Sales of tangible personal property/services to a § 501(c)(3) organization that assists, trains, educates, and provides housing for physically and mentally handicapped persons; and the organization receives at least 85% of its annual budget from state or federal funds.
Estimate: *Information Unavailable*
67. **Neighborhood Watch Organizations, 68 O.S. § 1356**
 The first \$2,000 in yearly sales to, by, or for the benefit of the first 2,000 neighborhood watch organizations to apply that are working directly with law enforcement.
Estimate(Sales Tax): Minimal
Data Source: Tax Commission Records
Reliability: 2

68. ***Organization Providing Services During the Day to Homeless Persons, 68 O.S. § 1356***
 Sales of tangible personal property to a § 501(c)(3) organization organized primarily for the purpose of providing services to homeless persons during the day and located in a metropolitan area with a population in excess of 500,000 persons.
Estimate: \$314,000
Data Source: Nonprofit Entities
Reliability: 3
69. ***Organization Providing Funding for the Preservation and Conservation of Wetlands and Habitat for Wild Ducks and Turkeys, 68 O.S. § 1356***
 Sales of tangible personal property/services to, or by, a § 501(c)(3) organization for events the principal purpose of which is to provide funding for the preservation of wetlands and habitat for wild ducks and wild turkeys.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
70. ***Organization That is Part of a Network of Autonomous Member Organizations, 68 O.S. § 1356***
 Sales of tangible personal property/services to a § 501(c)(3) organization that is part of a network of community-based, autonomous member organizations that meet the following criteria:
 a. Serves people with workplace disadvantages/disabilities by providing job training/employment services, job placement, and post-employment support,
 b. Has locations in the United States and at least 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 OTC that over 75% of its revenues are channeled into employment, job training and placement programs and other critical community services.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
71. ***Tickets to National Basketball Association and National Hockey League Games, 68 O.S. § 1356***
 Sales or gifts of tickets to National Basketball Association or National Hockey League Games.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
72. ***Admission to Professional Sporting Events, 68 O.S. § 1356***
 Admissions to professional sporting events involving ice hockey, baseball, basketball, football or arena football, or soccer.
Estimate(Sales Tax): \$1,276,000
Data Source: Industry Sources
Reliability: 3
73. ***Tickets to an Annual Event Sponsored by an Educational and Charitable Organization of Women, 68 O.S. § 1356***
 Admissions to an annual event sponsored by an educational and charitable § 501(c)(3) organization of women that promotes volunteerism, developing the potential of women and improving the community through the effective action and leadership of trained volunteers.
Estimate: *Information Unavailable*

74. **Community Mental Health Center, 68 O.S. § 1356**
 Sales of tangible personal property/services to any community mental health center as defined in 43A O.S. § 3-302.
Estimate: \$61,000
Data Source: Nonprofit Entities
Reliability: 3
75. **Community Health Charities Member Organizations, 68 O.S. § 1356**
 Sales of tangible personal property/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 OTC of its membership status in the membership organization.
Estimate: *Information Unavailable*
76. **National Volunteer Women’s Service Organization, 68 O.S. § 1356**
 Sales of tangible personal property/services to, or by, an organization that is part of a national volunteer women’s service organization dedicated to promoting patriotism, preserving American history and securing better education for children and which has at least 168,000 members in 3,000 chapters across the U.S.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
77. **YMCA or YWCA, 68 O.S. § 1356**
 Sales of tangible personal property/services to, or by, a YMCA or YWCA organization.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
78. **Veterans of Foreign Wars, 68 O.S. § 1356**
 Sales of tangible personal property/services to, or by, the Oklahoma chapters.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
79. **Food Boxes Containing Edible Staple Food Items, 68 O.S. § 1356**
 Sales of boxes containing edible staple food items when the boxes are sold by churches or by § 501(c)(3) organizations where the organization was organized for to feed needy persons or to encourage volunteer service.
Estimate: *Information Unavailable*
80. **Contractors and Subcontractors with Churches, 68 O.S. § 1356**
 Purchases of tangible personal property/services by persons with whom a church has duly entered into a construction contract or to a subcontractor to that contract.
Estimate: *Information Unavailable*

81. **Organizations Providing Training and Education to Developmentally Disabled Individuals, 68 O.S. § 1356**
 Sales of tangible personal property/services used exclusively for charitable, educational or religious purposes, to, or by, a § 501(c)(3) organization and has a Not-for-Profit Certificate of Incorporation in Oklahoma, that is organized to provide 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.
Estimate: *Information Unavailable*
82. **Shelters for Abused, Neglected or Abandoned Children, 68 O.S. § 1356**
 Sales of tangible personal property/services to a § 501(c)(3) organization that is a shelter for abused, neglected, or abandoned children from birth to age 18.
Estimate: *Information Unavailable*
83. **Child Care Centers Possessing a 3-Star Rating, 68 O.S. § 1356**
 Sales of tangible personal property/services to child care centers possessing a 3-star rating with DHS and providing on-site universal pre-kindergarten education to 4-year-old children through a contractual relationship with a public school.
Estimate: *Information Unavailable*
84. **Blue Star Mothers of America, Inc., 68 O.S. § 1356**
 Sales of tangible personal property to the exempt 501(c)(19) service organization known as Blue Star Mothers of America, Inc., which sends personal property to U.S. Military personnel overseas who are serving in a combat zone.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
85. **Local Public or Private School Foundations, 68 O.S. § 1356**
 Sales of tangible personal property by, or to, nonprofit local public/private school foundations that solicit money or property in the name of any public/private school or public school district.
Estimate: *Information Unavailable*
86. **Organizations Providing Funds for Medical Scholarships, 68 O.S. § 1356**
 Sales of food and snack items to, or by, a § 501(c)(3) organization whose primary purpose is providing funds for scholarships in the medical field.
Estimate: *Information Unavailable*
87. **Construction Projects for Entities Providing End-Of-Life Care and Hospice Services, 68 O.S. § 1356**
 Sales of tangible personal property/services for use solely on construction projects for § 501(c)(3) organizations 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: *Information Unavailable*

88. **Event Admissions Sales by Organizations Supporting General Hospitals, 68 O.S. § 1356**

Sales of admission tickets to events held by § 501(c)(3) organizations that are organized for the purpose of supporting general hospitals licensed by the Oklahoma Department of Health.

Estimate: *Information Unavailable*

89. **Nonprofit Foundation Raising Contributions in Support of Activities of the NRA and Similar Organizations, 68 O.S. § 1356**

Sales of property to a nonprofit foundation that 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 Amendment and sales of property to, or by, grassroots fundraising programs related to events to raise funds for the referenced foundation.

Estimate: *Information Unavailable*

90. **Nonprofit Fundraising Events, 68 O.S. § 1356**

Sales by a § 501(c)(3) organization or entity that are related to a fundraising event sponsored by the organization or entity when the event does not exceed any 5 consecutive days and when the sales are not in the organization's or entity's regular course of business. The provided exemption is limited to tickets sold for admittance to the fundraising event and items that were donated to the organization or entity for sale at the event.

Estimate: *Information Unavailable*

91. **Collaborative Model Organizations Connecting Community Agencies to Serve Persons Affected by Violence, 68 O.S. § 1356**

Sales of tangible personal property/services to a § 501(c)(3) organization that operates as a collaborative model which connects community agencies in one location to serve individuals and families affected by violence and where victims have access to services and advocacy at no cost to the victim.

Estimate: \$112,000

Data Source: Nonprofit Entities

Reliability: 3

92. **National Guard Association of Oklahoma , 68 O.S. § 1356**

Sales of tangible personal property/services to or by a § 501(c)(19) association which is known as the National Guard Association of Oklahoma.

Estimate: Not shown to avoid disclosure of information about specific taxpayers.

93. **Marine Corps League of Oklahoma, 68 O.S. § 1356**

Sales of tangible personal property/services to or by a § 501(c)(4) association which is known as the Marine Corps League of Oklahoma.

Estimate: Not shown to avoid disclosure of information about specific taxpayers.

94. **American Legion, 68 O.S. § 1356**

Sales of tangible personal property/services to the American Legion, whether the purchase is made by the entity chartered by the U.S. Congress or is an entity organized under the laws of Oklahoma or another state pursuant to the authority of the national American Legion organization.

Estimate: Not shown to avoid disclosure of information about specific taxpayers.

95. ***Fab Lab Network Member, 68 O.S. § 1356***

Sales of tangible personal property/services to, or by, a § 501(c)(3) organization that is an official member of the Fab Lab Network in compliance with the Fab Charter as verified by a letter from the MIT Fab Foundation and whose primary and principal purpose is to provide community access to advanced 21st century manufacturing and digital fabrication tools for science, technology, engineering, art and math (STEAM) learning skills, developing inventions, creating and sustaining businesses and producing personalized products.

Estimate: Not shown to avoid disclosure of information about specific taxpayers.

96. ***Nonprofit Organizations that Construct, Remodel and Sell Affordable Housing, 68 O.S. § 1356***

Sales of tangible personal property/services used solely for construction and remodeling projects to a § 501(c)(3) organization that meets the following requirements:

- a. Its primary purpose is to construct or remodel and sell affordable housing and provide homeownership education to residents of Oklahoma that have an income that is below 100% of the Family Median Income guidelines as defined by the U.S. Department of Housing and Urban Development,
- b. Conducts its activities in a manner that serves public or charitable purposes, rather than commercial purposes,
- c. Receives funding and revenue and charges fees in a manner that does not incentivize it or its employees to act other than in the best interest of its clients,
- d. Compensates its employees in a manner that does not incentivize employees to act other than in the best interest of its clients.

Estimate (Sales Tax): \$302,000

Data Source: Industry Sources

Reliability: 3

97. ***Nonprofit Organizations Restoring Single-Family Housing Following a Natural Disaster, 68 O.S. § 1356***

a. Sales of tangible personal property/services to qualified non-profit organizations that provide repair, restoration, or construction of replacement single-family dwellings following a natural disaster. To be eligible, an entity must have expended at least 75% of its funds on the restoration to single-family housing following a disaster.

b. Sales of tangible personal property/services made on or after July 1, 2022, to a qualified nonprofit entity, the principal functions of which are to provide assistance to a natural person following a disaster,¹⁰ with program emphasis on repair, restoration, or construction of replacement single-family dwellings. An entity operated exclusively for charitable and educational purposes through the coordination of volunteers for the disaster recovery of homes¹¹ that offers its services free of charge to disaster survivors statewide who are low income, with no or limited means of recovery on their own, for the restoration of single-family housing following a disaster, including related general and administrative expenses, will be eligible for the exemption.

Estimate (Sales Tax): \$0

Data Source: Tax Commission Records

Reliability: 1

¹⁰ For purposes of the exemption, "disaster" is defined to mean damage to property with or without accompanying injury to persons from heavy rain, high winds, tornadic winds, drought, wildfire, snow, ice, geologic disturbances, explosions, chemical accidents or spills and other events, causing damage to property on a large scale.

¹¹ As derived from Part III, Statement of Program Services, of Internal Revenues Service Form 990.

98. ***Nonprofit Organizations that Provide Support to Veterans, Members of the Armed Forces, National Guard and Reservists, 68 O.S. § 1356***
 Sales of tangible personal property/services to a § 501(c)(3) organization that provides support to veterans, active duty members of the Armed Forces, reservists and members of the National Guard to assist with the transition to civilian life, and that provides documentation to the OTC that over 70% of its revenue is expended on support for transition to civilian life.
Estimate: *Information Unavailable*
99. ***Oklahoma Women Veterans Organization and Subchapters, 68 O.S. § 1356***
 Sales of tangible personal property/services to or by a veteran's organization, and its subchapters in Oklahoma, that is exempt from taxation pursuant to 26 U.S.C. §501(c)(19) and is known as the Oklahoma Women Veterans Organization.
Estimate: *Information Unavailable*
100. ***Transportation of School Pupils, 68 O.S. § 1357***
 Transportation of school pupils to and from elementary schools or high schools.
Estimate(Sales Tax): \$0
Data Source: OU/OSU Group
Reliability: 3
101. ***Local Transportation, 68 O.S. § 1357***
 Transportation of persons where the fare does not exceed \$1 or local transportation within the corporate limits of a municipality except by taxicabs.
Estimate(Sales Tax): \$343,000
Data Source: Industry Sources
Reliability: 3
102. ***Sales for Resale, 68 O.S. § 1357***
 Sales for resale to persons engaged in the business of reselling the articles purchased and who have been issued sales tax permits by the OTC.
Estimate(Sales Tax): \$9,275,528,000
Estimate(Use Tax): \$3,673,000,000
Data Source: Tax Commission Records
Reliability: 1
103. ***Sales of Certain Types of Advertising, 68 O.S. § 1357***
 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 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): \$62,772,000
Data Source: OU/OSU Group
Reliability: 3

104. **Terrestrial or Aquatic Animal Life Supplies, 68 O.S. § 1357**
 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
105. **Utilities for Residential Use, 68 O.S. § 1357**
 Sale of natural or artificial gas and electricity sold exclusively for residential use.
Estimate(Sales Tax): \$177,614,000
Data Source: OU/OSU Group
Reliability: 3
106. **Drugs, 68 O.S. § 1357**
 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): \$275,909,000
Data Source: Secondary Sources
Reliability: 3
107. **Oil or Chemical Drums, 68 O.S. § 1357**
 Sales of returnable oil and chemical drums to any person not in the business of reselling returnable oil drums.
Estimate: *Information Unavailable*
108. **Utensils Sold to Vendors, 68 O.S. § 1357**
 Sales of one-way utensils, paper napkins, cups and disposable containers to a vendor of meals or beverages.
Estimate: *Information Unavailable*¹²
109. **Federal Food Stamp Program, 68 O.S. § 1357**
 Sales of food or food products for home consumption that are purchased in whole or in part with federal food stamp coupons.
Estimate(Sales Tax): \$0¹³
Data Source: Tax Commission Records
Reliability: 1
110. **Meals on Wheels, 68 O.S. § 1357**
 Sales of food, food products or equipment and supplies to, or by, nonprofit organizations commonly known as “Meals on Wheels” or “Mobile Meals”, or nonprofit entities that receive funding pursuant to the Older Americans Act of 1965, to provide nutrition programs for the care and benefit of elderly persons.
Estimate: *Information Unavailable*

¹² The specific amount related to this expenditure is unavailable, but is included as a part of the estimate provided for the Sales for Resale exemption outlined in number 102 of the Sales and Use Tax Section.

¹³ In accordance with Oklahoma Sales Tax Reports, sales tax in the amount of \$67,210,686.37 was exempted pursuant to the federal food stamp program but because federal law prohibits states from imposing sales tax on items purchased with food stamps a zero estimate is provided. 7 U.S.C. §2013(a).

111. **Collection and Distribution of Food to the Needy, 68 O.S. § 1357**
 Sales to, or by, nonprofit § 501(c)(3) organizations that are primarily engaged in the collection and distribution of food and household products, and that facilitate the distribution of them to the needy.
Estimate: *Information Unavailable*
112. **Children's Homes, 68 O.S. § 1357**
 Sales of tangible personal property/services to children's homes that are located on church-owned property and are operated by § 501(c)(3) organizations.
Estimate (Sales Tax): \$114,000
Data Source: OU/OSU Group
Reliability: 3
113. **Aircraft Maintenance Facility, 68 O.S. § 1357**
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: *Information Unavailable*
114. **Certain Telecommunications Services, 68 O.S. § 1357**
 Sales of interstate and international 800, 900 and private communications services, value-added non-voice data service, interstate and international telecommunications service that 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 telecommunications nonrecurring charges, including installation, connection, change or initiation of telecommunications services that are not associated with a retail consumer sale.
Estimate: *Information Unavailable*
115. **Railroad Track Spikes, 68 O.S. § 1357**
 Sales of railroad track spikes manufactured and sold for use in this state.
Estimate: *Information Unavailable*
116. **Aircraft and Aircraft Parts, 68 O.S. § 1357**
 Sales of aircraft engine repairs and aircraft parts at a qualified aircraft maintenance facility and sales of machinery, tools, supplies, equipment, and related tangible personal property/services used or consumed in the repair, remodeling or maintenance of aircraft, aircraft engines, or aircraft component parts which occur at a qualified aircraft maintenance facility.
Estimate: *Information Unavailable*
117. **Computer Services and Data Processing, 68 O.S. § 1357**
 Sales of machinery and equipment purchased and used by qualifying persons and establishments primarily engaged in computer services and data processing.
Estimate: *Information Unavailable*
118. **Prosthetic Devices, 68 O.S. § 1357**
 Sales of prosthetic devices for individual use.
Estimate: *Information Unavailable*

119. ***Motion Picture and Television Production Companies, 68 O.S. § 1357***
 Sales of property/services to a motion picture or television production company to be used or consumed in connection with an eligible production.
Estimate (Sales Tax): \$63,000
Data Source: Tax Commission Records
Reliability: 2
120. ***Diesel Fuel, 68 O.S. § 1357***
 Diesel fuel sold for use by commercial vessels, barges and other commercial watercraft.
Estimate: *Information Unavailable*
121. ***Biomedical Research Foundations, 68 O.S. § 1357***
 Sales of property/services to tax-exempt, independent, nonprofit biomedical research foundations and community blood banks.
Estimate: *Information Unavailable*
122. ***Wireless Telecommunication Equipment, 68 O.S. § 1357***
 Wireless telecommunications equipment used as part of a promotional package.
Estimate: *Information Unavailable*
123. ***Rail Transportation Cars, 68 O.S. § 1357***
 Leases of rail transportation cars used to transport coal to plants in this state that generate electricity.
Estimate: *Information Unavailable*
124. ***Aircraft Repair and Modification, 68 O.S. § 1357***
 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): \$3,248,000
Data Source: OU/OSU Group
Reliability: 3
125. ***Ship, Motor Vessel or Barge, 68 O.S. § 1357***
 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: *Information Unavailable*
126. ***Estate Sales, 68 O.S. § 1357***
 Estate sales if the sale is held at decedent's residence, for 3 consecutive days or less, within 6 months of the date of death. Goods sold must be part of the estate of the decedent. Sale must not be held by someone who is required to hold a sales tax permit or a Transient Merchant License.
Estimate: *Information Unavailable*
127. ***Electricity Used in Oil Dewatering Projects, 68 O.S. § 1357***
 Electricity used by an oil and gas operator for reservoir dewatering projects.
Estimate: *Information Unavailable*

128. **Prewritten Computer Software, 68 O.S. § 1357**
 Sales of prewritten computer software that is delivered electronically.
Estimate: *Information Unavailable*
129. **Modular Dwelling Units, 68 O.S. § 1357**
 Sales of certain modular dwelling units to the extent of 45% of the total sales price of the unit.
Estimate: *Information Unavailable*
130. **Disabled Veterans in Receipt of Compensation at the 100% Rate and Surviving Spouses Thereof, and Surviving Spouses of Persons Killed in the Line of Duty, 68 O.S. § 1357**
 Sales of tangible personal property/services to:
 a. Persons who are residents of Oklahoma and have been honorably discharged from active service in any branch of the U.S. Armed Forces or Oklahoma National Guard and who have been certified by the U.S. Dept. of Veterans Affairs to be in receipt of disability compensation at the 100% rate and the disability shall be permanent and have been sustained through military action or accident or resulting from disease contracted while in such active service and registered with the veterans registry created by the ODVA, or
 b. The surviving spouse of the person in (a) if the person is deceased and the spouse has not remarried and the surviving spouse of a person who is determined by the U.S. Department of Defense or any branch of the U.S. military to have died while in the line of duty if the spouse has not remarried. Sales qualifying for the exemption shall not exceed \$25,000.00 per year per individual while the disabled veteran is living. Sales qualifying for the exemption shall not exceed \$1,000.00 per year for an unremarried surviving spouse. If the disability determination that would have been made while the disabled veteran was still living is not made final until after the death of the disabled veteran, the exemption authorized by this subparagraph may still be claimed by the surviving spouse.
Estimate(Sales Tax): \$61,861,000
Data Source: Tax Commission Records
Reliability: 2
131. **Enhanced Recovery Methods, 68 O.S. § 1357**
 Sales of electricity that are used in enhanced recovery methods of oil production.
Estimate: *Information Unavailable*
132. **Intrastate Charter and Tour Bus Transportation, 68 O.S. § 1357**
 The sale of intrastate charter and tour bus transportation.
Estimate: *Information Unavailable*
133. **Vitamins, Minerals and Dietary Supplements by a Licensed Chiropractor, 68 O.S. § 1357**
 Sales of vitamins, minerals and dietary supplements by a licensed chiropractor to his/her patient.
Estimate: *Information Unavailable*
134. **Web Search Portals, 68 O.S. § 1357**
 Sales of goods, wares, merchandise, tangible personal property, machinery and equipment to a web search portal located in this state.
Estimate: *Information Unavailable*

135. **Contractors and Subcontractors with Rural Electric Cooperatives, 68 O.S. § 1357**
Purchases of tangible personal property made by (sub)contractors with rural electric coops that is consumed or incorporated in the construction or expansion of a facility.
Estimate: *Information Unavailable*
136. **Businesses Engaged in Repair of Electronic Goods, 68 O.S. § 1357**
Sales of tangible personal property/services to businesses primarily engaged in the repair of consumer electronic goods that are sold by the original manufacturer to the businesses where the goods are repaired for sale.
Estimate(Sales Tax): \$0
Data Source: Tax Commission Records
Reliability: 1
137. **Rolling Stock, 68 O.S. § 1357**
On or after July 1, 2019, and prior to July 1, 2029, sales or leases¹⁴ of rolling stock—locomotives, autocars, and railroad cars when sold or leased by the manufacturer.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
138. **Precious Metals, 68 O.S. § 1357**
Sales of gold, silver, platinum, palladium or other bullion such as coins and bars and legal tender of any nation, which is sold according to its value or as an investment.
Estimate: *Information Unavailable*
139. **Commercial Forestry Service Equipment, 68 O.S. § 1357**
January 1, 2022 until January 2027, sales of commercial forestry service equipment, limited to, forwarders, fellers, bunchers, track/wheeled skidders, hydraulic excavators, delimiters, soil compactors and skid steer loaders, to businesses engaged in logging, timber and tree farming.
Estimate: *Information Unavailable*
140. **Qualifying Broadband Equipment by Providers of Internet Service, 68 O.S. § 1357**
Sales, lease, rental, storage, use or other consumption of qualifying broadband equipment¹⁵ by internet service providers or subsidiaries if the property is directly used or consumed by the provider or subsidiary in or during the distribution of broadband Internet service. The exemption for qualified broadband equipment is to be administered as a rebate. No claim for rebate shall be approved unless the equipment was purchased in order to establish or expand broadband services in underserved or unserved areas¹⁶ and that the claimant establishes that as a result of the equipment purchased there has been net growth in the number of potential customers served in underserved or unserved areas.
Estimate: \$0¹⁷
Data Source: Tax Commission Records
Reliability: 1

¹⁴ "Sales or leases" includes railroad car maintenance and retrofitting of railroad cars for further use only on the railways.

¹⁵ Does not include supporting or ancillary functions, such as office or field operations, marketing, transportation, warehousing, data storage, or similar operations that do not directly result in the distribution of broadband Internet service nor does it include property directly used or consumed during the data processing service or information service, or property sold or leased to the customer for use within the location receiving broadband.

¹⁶ For purposes of the exemption authorized by 68 O.S. §1357(43), "broadband," "underserved" and "unserved" shall mean those services and areas as defined in 17 O.S. §139.102.

¹⁷ No impact to state sales and use tax revenues is projected until FY 25.

141. ***Drugs and Medical Devices, 68 O.S. § 1357.6***
 Sales of drugs for the treatment of human beings, medical appliances, devices or 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. Sales of prosthetics, durable medical equipment and mobility-enhancing equipment when administered, distributed or prescribed by a practitioner, who is authorized by law to administer, distribute or prescribe such items.
Estimate(Sales Tax): \$16,102,000
Data Source: OU/OSU Group
Reliability: 3
142. ***Horses, 68 O.S. § 1357.7***
 Sales of horses.
Estimate(Sales Tax): \$1,767,000
Data Source: OU/OSU Group
Reliability: 3
143. ***Related Entities, 68 O.S. § 1357.9***
 Sales of services between related entities
Estimate(Sales Tax): \$0
Data Source: Tax Commission Records
Reliability: 1
144. ***Sales Tax Holiday, 68 O.S. § 1357.10***
 Sales of clothing or footwear designed to be worn on or about the body if the sales price is less than \$100 and the sale takes place during the period beginning at 12:01 AM, the first Friday in August and ending at midnight on the following Sunday. The exemption includes sales taxes levied by state, cities, counties and authorities. The local taxes are reimbursed to cities and counties from other state sales tax revenues.
Estimate(Sales Tax): \$8,531,000
Data Source: Tax Commission Records
Reliability: 2
145. ***Agricultural Sales, 68 O.S. § 1358***
 Sales of agricultural products sold directly at or from a farm; livestock; baby chicks; turkey poults and starter pullets used in commercial production; animal feed; items to be used in production of agricultural products; farm machinery; supplies, machinery and equipment to persons raising evergreen trees; sales to an agricultural permit holder or to any person the permit holder has contracted to construct livestock facilities.
Estimate(Sales Tax): \$180,593,000
Data Source: Tax Commission Records
Reliability: 1

146. **Sales to Manufacturers, 68 O.S. § 1359**

- a. Sales of property to a manufacturer for use in a manufacturing operation and sales made to any person making purchases pursuant to a contractual relationship for the construction and improvement of manufacturing goods, wares, merchandise, property, machinery and equipment for use in a manufacturing operation of a petroleum refinery.
- 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 that are subsequently refunded for returnable containers used to transport cement.
- 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. Sales of tangible personal property/services used or consumed in all phases of the extraction and manufacturing of crushed stone and sand.
- p. Sale, use or consumption of paper stock and other raw materials that are manufactured into commercial printed material in this state primarily for use and delivery outside this state.
- q. Sale of machinery and equipment, including, but not limited to servers and computer, racks power distribution units, cabling, switchgear, transformers, substations, software, network equipment, and electricity, used for commercial mining of digital assets in a colocation facility.¹⁸

Estimate(Sales Tax): \$2,638,668,000

Estimate(Use Tax): \$8,447,000

Data Source: OU/OSU Group

Reliability: 3

147. **Sales to Corporations, Partnerships, or Limited Liability Companies and Sales/Transfers Between Wholly Owned Subsidiaries of a Parent Company and Between a Parent Company and its Wholly Owned Subsidiary, 68 O.S. § 1360**

Sales between corporations, partnerships, or limited liability companies pursuant to a merger, reorganization, or dissolution and sales or transfers of tangible personal property between wholly owned subsidiaries of a parent company and between a parent company and its wholly owned subsidiary.

Estimate: *Information Unavailable*

¹⁸ Effective November 1, 2024.

148. **Donations, 68 O.S. § 1362**
 Items that are withdrawn from inventory for donation to persons affected by the tornadoes for which a presidential disaster declaration was issued.
Estimate: *Information Unavailable*
149. **Bad Debt Credit, 68 O.S. § 1366**
 Taxes paid on gross receipts subsequently determined to be worthless or uncollectible.
Estimate(Sales Tax): \$1,124,000
Data Source: Tax Commission Records
Reliability: 1
150. **Out-of-State Tax Credit, 68 O.S. § 1404**
 Taxes paid on an article of tangible personal property to another state by the person using such tangible personal property in this state.
Estimate(Use Tax): \$1,539,000
Data Source: Tax Commission Records
Reliability: 1
151. **Commercial Airlines or Railroads, 68 O.S. § 1404**
 Tangible personal property used, or to be used by, commercial airlines or railroads.
Estimate: *Information Unavailable*
152. **Livestock Purchased Outside the State, 68 O.S. § 1404**
 Livestock purchased outside this state and brought into this state for feeding or breeding purposes, and that is later resold.
Estimate(Use Tax): \$86,527,000
Data Source: OU/OSU Group
Reliability: 3
153. **Rail Transportation Cars, 68 O.S. § 1404**
 Leases of rail transportation cars used to transport coal to plants in this state that generate electricity.
Estimate: *Information Unavailable*
154. **Bad Debt Credit, 68 O.S. § 1407.1**
 Use taxes paid on gross receipts pursuant to 68 O.S. §§ 1406 and 1407 and subsequently determined to be worthless or uncollectible.
Estimate(Use Tax): \$0
Data Source: Tax Commission Records
Reliability: 1
155. **Oklahoma Administrative Code, 75 O.S. § 256**
 Sale or resale of the "Oklahoma Administrative Code" by Secretary of State.
Estimate(Sales Tax): Minimal
Data Source: Oklahoma Secretary of State's Office
Reliability: 3

156. ***Irrigation Districts, 82 O.S. § 277.17***
All purchases or use of tangible personal property by irrigation districts.
Estimate(Sales Tax): \$65,000
Estimate(Use Tax): *Information Unavailable*
Data Source: OU/OSU Group
Reliability: 3
157. ***Conservancy Districts, 82 O.S. § 688.1***
All purchases of property by conservancy districts and master conservancy districts.
Estimate: *Information Unavailable*
158. ***Regional Water Districts, 82 O.S. § 1274***
All purchases of property by regional water districts.
Estimate: *Information Unavailable*
159. ***Rural Water, Sewer, Gas and Solid Waste Management Districts, 82 O.S. § 1324.22***
All purchases of property by rural water, sewer, gas and solid waste management districts.
Estimate: *Information Unavailable*

IV. AD VALOREM TAX

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.

V. MOTOR VEHICLE REGISTRATION FEES

1. ***Abandoned Vehicles Auctioned by Class AA Wreckers, 42 O.S. § 91.1***
Abandoned vehicles auctioned by Class AA wrecker services upon which prior years fees are exempted.
Estimate: Minimal
Data Source: Service Oklahoma
Reliability: 3
2. ***Fire Department Vehicles, 47 O.S. § 1113***
Vehicles owned and operated by a charitable corporation that provides a volunteer or full-time fire department.
Estimate: \$7,000
Data Source: Service Oklahoma
Reliability: 3
3. ***Donated Vehicles, 47 O.S. § 1115***
Vehicles donated to nonprofit charitable organizations.
Estimate: Minimal
Data Source: Service Oklahoma
Reliability: 3
4. ***Military Personnel Vehicles, 47 O.S. § 1127***
Vehicles owned by qualifying service members (or spouse) of the U.S. Armed Forces who are either residents of, or stationed in, Oklahoma.
Estimate: \$1,473,000
Data Source: Service Oklahoma
Reliability: 3
5. ***Special Mobilized Machinery, 47 O.S. § 1129***
Special purpose machines that 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: \$3,034,000
Data Source: Service Oklahoma
Reliability: 3
6. ***Vehicle Replacement Credit, 47 O.S. § 1132***
Credit allowed towards the registration fee of a new vehicle that is a replacement for a stolen or defective new original vehicle.
Estimate: Minimal
Data Source: Service Oklahoma
Reliability: 3
7. ***Destroyed Vehicles, 47 O.S. § 1132.3***
A credit towards the registration fee due on a vehicle that is a replacement for a vehicle destroyed by tornado and eligible for a registration fee credit.
Estimate: Minimal
Data Source: Service Oklahoma
Reliability: 3

8. ***Farm Vehicles, 47 O.S. § 1134***
 Pickup, truck or truck-tractor owned and operated by a farmer and used primarily for farm use.
Estimate: \$3,879,000
Data Source: Service Oklahoma
Reliability: 3

9. ***Taxicabs and Privately Owned School Buses, 47 O.S. § 1134.1***
 Special registration fees for taxicabs and privately-owned school buses used for transporting school children.
Estimate: \$19,000
Data Source: Service Oklahoma
Reliability: 3

10. ***Forestry Vehicles, 47 O.S. § 1134.2***
 Vehicles used for transporting unfinished forest products from point of harvest to the point of first processing.
Estimate: \$272,000
Data Source: Service Oklahoma
Reliability: 3

11. ***Political Subdivision Vehicles, 47 O.S. § 1135.1***
 Vehicles owned by a political subdivision of this state.
Estimate: \$327,000
Data Source: Service Oklahoma
Reliability: 3

12. ***Vehicles Owned by a Religious Corporation or Society, 47 O.S. § 1135.1***
 Motor bus, manufactured home, or mobile chapel and power unit owned and operated by a religious corporation or society.
Estimate: \$171,000
Data Source: Service Oklahoma
Reliability: 3

13. ***Youth Program Vehicles, 47 O.S. § 1135.1***
 Vehicles owned or operated by nonprofit organizations devoted exclusively to youth groups.
Estimate: \$83,000
Data Source: Service Oklahoma
Reliability: 3

14. ***Employment of the Handicapped, 47 O.S. § 1135.1***
 Vehicles owned or operated by nonprofit organizations actually involved in programs for the employment of the handicapped.
Estimate: \$15,000
Data Source: Service Oklahoma
Reliability: 3

15. ***Transportation for Older Persons, 47 O.S. § 1135.1***
 Vehicles owned and operated by nonprofit organizations that provide older persons transportation to and from medical, dental and religious services and relief from business and social isolation.
Estimate: \$114,000
Data Source: Service Oklahoma
Reliability: 3

16. ***Transportation of Surplus Food, 47 O.S. § 1135.1***
 Vehicles owned and operated by private nonprofit organizations used for the transportation of surplus foods.
Estimate: \$10,000
Data Source: Service Oklahoma
Reliability: 3

17. ***Civil Air Patrol, 47 O.S. § 1135.1***
 Vehicles owned or operated by the Civil Air Patrol, a congressionally chartered corporation that also serves as an auxiliary of the United States Air Force.
Estimate: \$0
Data Source: Service Oklahoma
Reliability: 3

18. ***Fraternal or Civic Service Organization Vehicles, 47 O.S. § 1135.1***
 Any vehicle owned by a fraternal or civic service organization with at least 100 local chapters or clubs, and used to provide mobile health screening services to the general public at no cost to the recipient.
Estimate: *Information Unavailable*

19. ***Physically Disabled Vehicles, 47 O.S. § 1135.1***
 Vehicles that 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: \$97,000
Data Source: Service Oklahoma
Reliability: 3

20. ***Indian Tribal Vehicles, 47 O.S. § 1135.1***
 Vehicles owned by a Native American Indian Tribal Association and used for the furtherance of its tribal functions.
Estimate: \$204,000
Data Source: Service Oklahoma
Reliability: 3

21. ***Antique or Classic Vehicles, 47 O.S. § 1135.1***
 Vehicles 25 years of age or older that travel on the highways for historical or exhibition purposes only.
Estimate: \$56,000
Data Source: Service Oklahoma
Reliability: 3

22. ***Prisoner of War Vehicles, 47 O.S. § 1135.2***
 Vehicles owned by members of the U.S. Armed Forces or civilians who were former prisoners of war held by a foreign country.
Estimate: \$3,000
Data Source: Service Oklahoma
Reliability: 3
23. ***Congressional Medal of Honor Recipient Vehicles, 47 O.S. § 1135.2***
 Vehicles owned by residents of this state who have been awarded the Congressional Medal of Honor.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
24. ***Killed in Action Vehicles, 47 O.S. § 1135.2***
 Vehicles owned by the spouse of a member of the U.S. Armed Forces who was killed in action.
Estimate: \$1,000
Data Source: Service Oklahoma
Reliability: 3
25. ***Gold Star Parents' Vehicles, 47 O.S. § 1135.2***
 Vehicles owned by parents of a member of the U.S. Armed Forces who was killed during a war.
Estimate: \$11,000
Data Source: Service Oklahoma
Reliability: 3
26. ***Disabled Veterans' Vehicles, 47 O.S. § 1135.2***
 Vehicles owned by veterans of the U.S. Armed Forces that have a service-connected disability rating of 50% or more.
Estimate: \$6,281,000
Data Source: Service Oklahoma
Reliability: 3
27. ***Former Military Vehicles, 47 O.S. § 1136.2***
 Former military vehicles used only for exhibitions, club activities, parades, and other functions of public interest and not used for regular transportation.
Estimate: \$1,000
Data Source: Service Oklahoma
Reliability: 3
28. ***Rural Water or Sewer District Vehicles, 68 O.S. § 2903***
 Vehicles owned by any rural water or sewer district.
Estimate: \$33,000
Data Source: Service Oklahoma
Reliability: 3
29. ***Conservancy District Vehicles, 82 O.S. § 688.1***
 Vehicles owned by conservancy districts and master conservancy districts.
Estimate: \$1,000
Data Source: Service Oklahoma
Reliability: 3

VI. MOTOR VEHICLE EXCISE TAX

1. ***Donated Vehicles, 47 O.S. §1115***
Vehicles donated to nonprofit charitable organizations.
Estimate: *Information Unavailable*

2. ***International Registration Plan (IRP) Motor Vehicle Excise Tax, 68 O.S. § 2103***
An excise tax rate of \$10 is applicable to trucks or truck-tractors titled with the state under the IRP and registered for a laden weight or combined laden weight of 50,000 pounds or more.
Estimate: \$10,310,000
Data Source: Service Oklahoma
Reliability: 3

3. ***Marital and Parental Transfers, 68 O.S. § 2103***
Transfers of a motor vehicle without consideration between a husband and wife, or parent and child.
Estimate: \$28,884,000
Data Source: Service Oklahoma
Reliability: 3

4. ***Transfers to a Trust, 68 O.S. § 2103***
Transfers of a motor vehicle without consideration between an individual and an express trust with right of revocation.
Estimate: \$3,968,000
Data Source: Service Oklahoma
Reliability: 3

5. ***Replacement Vehicles, 68 O.S. § 2103***
Credit allowed with respect to excise tax paid for a new vehicle that is a replacement for a stolen or defective new original vehicle.
Estimate: Minimal
Data Source: Service Oklahoma
Reliability: 3

6. ***Destroyed Vehicles, 68 O.S. § 2103.1***
A credit towards the excise tax due on a vehicle that is a replacement for a vehicle destroyed by tornado and eligible for an excise tax credit.
Estimate: Minimal
Data Source: Service Oklahoma
Reliability: 3

7. ***Nonresident Person, 68 O.S. § 2105***
Vehicle owned by a nonresident person who operates principally in some other state, but who is in Oklahoma only occasionally.
Estimate: Minimal
Data Source: Service Oklahoma
Reliability: 3

8. ***New Resident, 68 O.S. § 2105***
 Vehicle brought into this state by a person formerly living in another state, who has owned and registered the vehicle in such other state at least 60 days prior to being subject to registration in this state.
Estimate: \$25,301,000
Data Source: Service Oklahoma
Reliability: 3

9. ***Political Subdivision Vehicles, 68 O.S. § 2105***
 Vehicles registered or leased by the state, political subdivisions of the state, or certain fire departments.
Estimate: \$5,389,000
Data Source: Service Oklahoma
Reliability: 3

10. ***Inherited Vehicles, 68 O.S. § 2105***
 Vehicles, the legal ownership of which was obtained by the owner through inheritance.
Estimate: \$6,287,000
Data Source: Service Oklahoma
Reliability: 3

11. ***Used Motor Vehicle Dealers, 68 O.S. § 2105***
 Vehicles that are owned and being offered for sale by a licensed used motor vehicle dealer.
Estimate: \$82,971,000
Data Source: Service Oklahoma
Reliability: 3

12. ***Out-of-State Motor Vehicle Dealers, 68 O.S. § 2105***
 Vehicles purchased by a dealer licensed in another state for use or resale in another state.
Estimate: Minimal
Data Source: Service Oklahoma
Reliability: 3

13. ***Foreclosure Vehicles, 68 O.S. § 2105***
 Vehicles, the ownership of which was obtained by the lienholder or mortgagee under, or by, a foreclosure of a lien or mortgage.
Estimate: \$21,807,000
Data Source: Service Oklahoma
Reliability: 3

14. ***Vehicles Taxed Under Ad Valorem Tax Code, 68 O.S. § 2105***
 Vehicles that are taxed under the Ad Valorem Tax Code.
Estimate: \$602,000
Data Source: Service Oklahoma
Reliability: 3

15. ***Corporate, Partnership, or Limited Liability Company Vehicles, 68 O.S. § 2105***
 Vehicles transferred pursuant to the formation or dissolution of a corporation, partnership, or limited liability company.
Estimate: \$1,227,000
Data Source: Service Oklahoma
Reliability: 3

16. ***Rental Vehicles, 68 O.S. § 2105***
 Vehicles purchased by a person to be used by a business engaged in renting motor vehicles without a driver.
Estimate: \$15,912,000
Data Source: Service Oklahoma
Reliability: 3

17. ***New Motor Vehicle Dealer, 68 O.S. § 2105***
 Vehicles of the latest manufactured model transferred to a licensed, franchised new motor vehicle dealer.
Estimate: \$3,084,000
Data Source: Service Oklahoma
Reliability: 3

18. ***Lease Vehicle, 68 O.S. § 2105***
 A leased vehicle transferred to the lessee.
Estimate: \$841,000
Data Source: Service Oklahoma
Reliability: 3

19. ***Fraternal or Civic Service Organization, 68 O.S. § 2105***
 Any vehicle owned by a fraternal or civic service organization with at least 100 local chapters or clubs and used to provide mobile health screening services to the general public at no cost to the recipient.
Estimate: Minimal
Data Source: Service Oklahoma
Reliability: 3

20. ***New Dealer Temporary Registration, 68 O.S. § 2105***
 Any new vehicle registered and authorized by the manufacturer or dealer for an individual's personal use, not to exceed 4 months.
Estimate: \$3,378,000
Data Source: Service Oklahoma
Reliability: 3

21. ***100% Disabled Veteran, 68 O.S. § 2105***
 Vehicles purchased by disabled veterans with 100% service connected disability.
Estimate: \$4,739,000
Data Source: Service Oklahoma
Reliability: 3

22. ***Irrigation District Vehicles, 82 O.S. §§ 277.17 and 688.1***
Vehicles purchased by irrigation districts, conservancy districts, and master conservancy districts and used in this state.
Estimate: Not shown to avoid disclosure of information about specific taxpayers.
Data Source: Service Oklahoma
Reliability: 3
23. ***Non-IRP Heavy Weight Commercial Trucks and All Cargo-Carrying Commercial Trailers, 68 O.S. § 2103***
An excise tax rate of \$10 applicable to commercial (non-IRP) trucks or truck-tractors registered at a laden weight or combined laden weight of 50,000 pounds or more and all cargo-carrying commercial trailers.
Estimate: \$39,137,000
Data Source: Service Oklahoma
Reliability: 3
24. ***Return of Repossessed Vehicle Within 30 Days, 68 O.S. § 2105***
Vehicles repossessed and then transferred back to the former owner within 30 days of issuance of the repossession title.
Estimate: \$62,000
Data Source: Service Oklahoma
Reliability: 3

VII. MOTOR FUEL TAXES

Motor fuel tax being inclusive of gasoline excise tax and diesel fuel tax is levied upon the sale of such products in Oklahoma. Gasoline and diesel fuel sold to, or consumed by certain entities may be exempt or subject to credits as provided for by statute.

1. **Fuel for Exportation, 68 O.S. § 500.10**
Sale of gasoline or diesel to be exported out of this state by a licensed supplier or licensed exporter.
Estimate: *Information Unavailable*
2. **Diverted Fuel, 68 O.S. § 500.10**
Credit for gasoline or diesel taxes previously paid on motor fuel that was approved for diversion across state boundaries.
Estimate: *Information Unavailable*
3. **Fuel Exported by Tank Wagon, 68 O.S. § 500.10**
Gasoline or diesel exported out of a bulk plant in this state in a tank wagon.
Estimate: *Information Unavailable*
4. **K-1 Kerosene, 68 O.S. § 500.10**
K-1 kerosene sold at retail for use other than for highway use.
Estimate: *Information Unavailable*
5. **Sales to Federal Government, 68 O.S. § 500.10**
Sales of gasoline or diesel fuel to the United States of America.
Estimate(Gasoline Tax):\$0¹⁹
Estimate(Diesel Tax): \$0
6. **Fuel Used for the Transportation of School Children, 68 O.S. § 500.10**
Fuel sold for use solely in FFA and 4-H Club trucks and vehicles and school buses operated by public school districts.
Estimate: *Information Unavailable*
7. **Fuel Used by Exempt Entities, 68 O.S. § 500.10**
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: *Information Unavailable*
8. **Fuel Used for Agricultural Purposes, 68 O.S. § 500.10**
Sales to persons actually engaged in farming for use in farm tractors or stationary engines.
Estimate: \$151,000
Data Source: Tax Commission Records
Reliability: 1

¹⁹ 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.

9. ***Fuel Sold within Indian Country, 68 O.S. § 500.10***
 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: \$0
Data Source: Tax Commission Records
Reliability: 1

10. ***Diesel Fuel Used to Run Equipment, 68 O.S. § 500.10***
 The portion of diesel fuel used to operate equipment attached to a motor vehicle or consumed in a vehicle off-road.
Estimate: \$1,127,000
Data Source: Tax Commission Records
Reliability: 1

11. ***Fuel Purchased Out of State, 68 O.S. § 500.10***
 Gasoline or diesel acquired outside the state in a motor vehicle and consumed in this state in the same vehicle.
Estimate: *Information Unavailable*

12. ***Diesel Fuel Used for Certain Purposes, 68 O.S. § 500.10***
 Diesel fuel used as heating oil, in railroad locomotives, or any other motorized, flanged-wheel rail equipment, or used for other non-highway purposes.
Estimate: \$4,110,000
Data Source: Tax Commission Records
Reliability: 1

13. ***Lost or Destroyed Fuel, 68 O.S. § 500.10***
 Motor fuel lost or destroyed as a direct result of a sudden and unexpected casualty.
Estimate: *Information Unavailable*

14. ***Contaminated Diesel, 68 O.S. § 500.10***
 Credit for taxes paid on diesel fuel which has been accidentally contaminated by dye.
Estimate: \$0
Data Source: Tax Commission Records
Reliability: 1

15. ***Diesel Fuel That Has Been Dyed Under Federal Regulations for Off-Road Use, 68 O.S. § 500.10***
 Dyed diesel fuel.
Estimate: \$76,810,000
Data Source: Tax Commission Records
Reliability: 1

16. ***Aircraft Fuel, 68 O.S. § 500.10***
 Gasoline, diesel and kerosene sold for use as fuel to generate power in aircraft engines.
Estimate: \$54,000
Data Source: Tax Commission Records
Reliability: 1

17. **Oklahoma Space Industry Development Authority, 68 O.S. § 500.10**
Motor fuel sold to the Oklahoma Space Industry Development Authority or any spaceport user.
Estimate: *Information Unavailable*

18. **Biofuels, 68 O.S. § 500.10**
Biofuels or biodiesel produced by an individual with crops grown on property owned by that person for use in his or her vehicle on the public roads and highways.
Estimate: *Information Unavailable*

VIII. FRANCHISE TAX

Oklahoma levies an annual franchise tax on all corporations that do business in Oklahoma.²⁰ Corporations²¹ are taxed \$1.25 for each \$1,000 of capital invested or used in Oklahoma. Foreign corporations are additionally assessed \$100 per year, payable to the OTC, for the Secretary of State acting as its registered agent. The maximum annual tax is \$20,000, and entities that have a calculated franchise tax of \$250 or less are not required to remit the tax. Further, several types of entities are specifically exempt from franchise tax as outlined below. Data limitations do not allow for an estimate of the effect of the \$20,000 maximum or exempted entities.

- 1. *Maximum Tax of \$20,000, 68 O.S. § 1205***
All capital employed that imposes a liability in excess of \$20,000 is exempt.
Estimate: *Information Unavailable*
- 2. *Corporations Owing Tax of \$250 or Less, 68 O.S. § 1205***
All capital employed that imposes a liability in the amount of \$250 or less in tax is exempt.
Estimate: \$1,227,000 / 17,792 Returns
Data Source: Tax Commission Records
Reliability: 2
- 3. *Export Trading Companies, 74 O.S. § 2106***
An export trading company, with a registered office or other office in this state, is exempt from state corporate income tax and franchise tax for a period of two years from the date the OTC certifies the export trading company as a qualified export trading company.
Estimate: *Information Unavailable*
- 4. *Oklahoma Center for the Advancement of Science and Technology, 74 O.S. § 5060.9***
OCAST is exempt from all franchise, corporate business and income taxes levied by the state of Oklahoma.
Estimate: *Information Unavailable*
- 5. *Oklahoma Development Finance Authority, 74 O.S. § 5062.14***
ODFA is exempt from all franchise, corporate, business and other taxes of any nature levied by the state of Oklahoma.
Estimate: *Information Unavailable*
- 6. *Exempt Corporations and Organizations, 68 O.S. § 1206***
This provision exempts certain organizations from Oklahoma franchise tax.
Estimate: *Information Unavailable*

²⁰ Oklahoma franchise tax has been repealed, beginning with tax year 2024.

²¹ Limited liability companies, as defined by 18 O.S. § 2001 are not subject to Oklahoma franchise tax.

IX. GROSS PRODUCTION AND PETROLEUM EXCISE TAX

1. ***New Well Incentive (Reduced Rate @ 5%), 68 O.S. § 1001***
The production of oil and gas is taxed at a rate of 5%, commencing with the month of first production for a period of 36 months.
Estimate(Gross Production): \$178,933,000
Estimate(Petroleum Excise): \$0
Data Source: Gross Production Tax Reports
Reliability: 1
2. ***Lease Interest Exemptions, 68 O.S. §§ 1008 and 1106***
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, and state or federal government.
Estimate(Gross Production): \$13,752,000
Estimate(Petroleum Excise): \$204,000
Data Source: Gross Production Tax Reports
Reliability: 1
3. ***Gas Marketing Deduction, 68 O.S. §§ 1001.4, 1101 and 1102***
A deduction on the levy of gross production and petroleum excise tax for certain non-production related costs associated with the marketing and transportation of natural gas.
Estimate(Gross Production): \$165,125,000
Estimate(Petroleum Excise): \$2,491,000
Data Source: Gross Production Tax Reports
Reliability: 1
4. ***Economically At-Risk Oil or Gas Lease, 68 O.S. § 1011.3a***
Exemption from gross production tax for production from an economically at-risk oil or gas lease.²²
Estimate(Gross Production): \$0
Estimate(Petroleum Excise): \$0
Data Source: Gross Production Tax Reports
Reliability: 1
5. ***Secondary and Tertiary Recovery Projects, 68 O.S. § 1001***
Exemption from gross production tax for production which results from secondary and tertiary recovery projects.²²
Estimate(Gross Production): \$0
Estimate(Petroleum Excise): \$0
Data Source: Gross Production Tax Reports
Reliability: 1
6. ***Wells Drilled With the Use of Recycled Water, 68 O.S. § 1001***
Exemption from gross production tax for production from wells completed with the use of recycled water.²²
Estimate(Gross Production): \$0
Estimate(Petroleum Excise): \$0
Data Source: Gross Production Tax Reports
Reliability: 1

²² Effective July 1, 2022. No refunds paid out in FY 2024.

X. MISCELLANEOUS TAX PROVISIONS

A. AIRCRAFT REGISTRATION FEES

Aircraft operated on or from any Oklahoma airport for 30 days or longer must be registered in this state and the applicable registration fees paid thereon. Aircraft licensed by a foreign country, owned by governmental and certain other groups, and those not currently airworthy are exempt from the referenced registration requirements. Aggregate data to estimate these tax expenditures is not presently available.

1. ***Aircraft Owned by the Manufacturer, 3 O.S. § 253***
Aircraft manufactured under a FAA approved certificate that are owned and in the possession of the manufacturer.
2. ***Aircraft Owned by Charitable Organizations, 3 O.S. § 253***
Aircraft owned by charitable organizations and used solely for the furtherance of charitable purposes.
3. ***Aircraft Owned by Nonresidents, 3 O.S. § 253***
Aircraft belonging to nonresidents of this state and registered in another state.
4. ***Aircraft of the Federal Government and State Government, 3 O.S. § 253***
Aircraft of the federal government, any state government, and any aircraft of the Civil Air Patrol.
5. ***Aircraft of a Foreign Country, 3 O.S. § 253***
Aircraft licensed by a foreign country with which the United States has a reciprocal agreement covering the operation of such licensed aircraft.
6. ***Aircraft Which Are Not Airworthy, 3 O.S. § 253***
Aircraft not currently licensed or holding a current airworthiness certificate by the FAA.

B. AIRCRAFT EXCISE TAX

Aircraft excise tax is levied upon the transfer of legal ownership or use within Oklahoma of each aircraft that is to be registered with the FAA at a rate of 3.25% of the purchase price of such aircraft. Specific transactions are exempted from the imposition of aircraft excise tax including aircraft with a selling price in excess of \$2.5 million, certain special purpose aircraft and aircraft transfers made without consideration to an express trust. Aggregate data to estimate these tax expenditures is not presently available.

1. ***Aircraft Owned by the Manufacturer, 68 O.S. § 6003***
Aircraft manufactured under a FAA approved certificate that are owned and in the possession of the manufacturer.
2. ***Aircraft Owned by Dealers, 68 O.S. § 6003***
Aircraft owned by a licensed dealer and in the dealer's inventory.
3. ***Aircraft of the Federal Government and State Governments, 68 O.S. § 6003***
Aircraft belonging to the federal government or any state government.

4. ***Corporate, Partnership or Limited Liability Company Aircraft, 68 O.S. § 6003***
Aircraft transferred pursuant to the formation, reorganization or dissolution of a corporation, partnership, or limited liability.
5. ***Aircraft Owned by Commercial Airlines, 68 O.S. § 6003***
Aircraft purchased or used by commercial airlines.
6. ***Aircraft upon Which an Out-Of-State Tax Has Been Paid, 68 O.S. § 6003***
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 by the person using the aircraft in this state.
7. ***Aircraft Acquired by Inheritance, 68 O.S. § 6003***
Aircraft when the legal ownership of such aircraft is obtained by the applicant for a certificate of title by inheritance.
8. ***Aircraft Obtained through Foreclosure Proceedings, 68 O.S. § 6003***
Aircraft obtained by the lienholder or mortgagee under or by foreclosure of a lien or mortgage.
9. ***Aircraft Transferred within the Family, 68 O.S. § 6003***
Aircraft transferred between husband and wife, or parent and child, where no valuable consideration is given.
10. ***Aircraft Used for Agricultural Purposes, 68 O.S. § 6003***
Aircraft purchased by a resident of this state and used exclusively in this state for agricultural spraying purposes.
11. ***Aircraft Sold for More Than \$2,500,000, 68 O.S. § 6003***
Aircraft with a selling price in excess of \$2.5 million that are transferred to a purchaser who is not a resident of this state for immediate transfer out of state.
12. ***Trust Transfers, 68 O.S. § 6003***
Aircraft transferred without consideration between an individual and an express trust.

C. USED TIRE RECYCLING FEES

A used tire recycling fee is assessed on sales of motor vehicle tires and tires associated with the first registration of motor vehicles and trailers and semitrailers first titled in the state. Exemptions from the imposition of the used tire recycling fee exist for used or retread tires upon which the used tire fee was previously paid and all-terrain and off-road motorcycles. Exemptions are reported in the aggregate, and therefore, estimates are unavailable.

1. ***Recycling Fee Previously Paid, 27A O.S. § 2-11-401.2***
Purchases of used or retreaded tires, provided that the tire dealer can document that the recycling fee has been previously paid.
2. ***All-terrain Vehicles and Off-road Motorcycles, 27A O.S. § 2-11-401.2***
All-terrain vehicles and off-road motorcycles registered pursuant to 47 O.S. § 1132.

D. ALCOHOLIC BEVERAGE TAX

1. **Beer Manufactured for Export, 37A O.S. § 5-101**
Beer manufactured for export.
Estimate: *Information Unavailable*
2. **Industrial Use Alcohol, 37A O.S. § 5-103**
Alcohol used exclusively for industrial purposes by the holder of an industrial license.
Estimate: *Information Unavailable*
3. **U.S. Tax-Free Permit, 37A O.S. § 5-103**
Alcohol lawfully withdrawn and used free of tax under a tax-free permit issued by the United States.
Estimate: *Information Unavailable*
4. **Licensed Physicians and Dentists, 37A O.S. § 5-103**
Alcohol used exclusively by licensed physicians, dentists, and pharmacists in the practice of their professions.
Estimate: *Information Unavailable*
5. **Beer, Cider and Wine Made for Personal Use, 37A O.S. § 5-103**
Beer, cider and wine made for personal use by a person licensed by the ABLE Commission.
Estimate: *Information Unavailable*
6. **Sacramental Wine, 37A O.S. § 5-103**
Wine used exclusively for sacramental purposes in bona fide religious ceremonies.
Estimate: \$0
Data Source: Tax Commission Records
Reliability: 1
7. **Imported Alcoholic Beverages, 37A O.S. § 5-103**
Alcoholic beverages, not exceeding one liter, imported into this state by the possessor for his/her personal use.
Estimate: *Information Unavailable*
8. **Charitable events licensed and approved by the ABLE Commission, 37A O.S. § 5-103**
Alcoholic beverages provided to attendees, free of charge, at charitable events licensed and approved by the ABLE Commission.
Estimate: *Information Unavailable*
9. **Licensed Caterer, 37A O.S. § 5-103**
Mixed beverage and public event licensees which utilize the services of a licensed caterer.
Estimate: *Information Unavailable*

E. CIGARETTE STAMP TAX

Veterans' Hospitals, 68 O.S. § 321

Cigarettes sold to veterans' hospitals and state-operated domiciliary homes for veterans.

Estimate: \$5,000
Data Source: Cigarette Wholesaler Tax Reports
Reliability: 1

F. TOBACCO PRODUCTS TAX

Veterans' Hospitals, 68 O.S. § 419

Tobacco products sold to veterans' hospitals and state-operated homes for veterans.

Estimate: \$0
Data Source: Tax Commission Records
Reliability: 1

G. SPECIAL FUEL USE TAX

Special fuel use tax is levied upon fuel existing in a liquid or gaseous state and that is delivered into fuel supply tanks of motor vehicles in Oklahoma or that is imported into this state in the fuel supply tanks of vehicles being used on the highways of this state for commercial purposes. Special fuels used in certain vehicles or by certain entities may be exempt or subject to credits as provided for by statute. Aggregate data is unavailable to estimate the tax expenditures.

1. ***United States of America, 68 O.S. § 708***
Special fuel delivered into the supply tanks of, or used by, motor vehicles owned by the United States.
2. ***Agricultural Use, 68 O.S. § 708***
Special fuel delivered into the supply tanks of farm tractors and stationary engines used for agricultural purposes.
3. ***Passenger Automobiles, 68 O.S. § 708***
Special fuel imported into Oklahoma in the fuel supply tanks of passenger automobiles.
4. ***Motor Vehicles with 25 Gallons or Less Supply Tanks, 68 O.S. § 708***
Special fuel imported into Oklahoma in storage tanks with a capacity of 25 gallons or less and not used for commercial purposes.
5. ***Agricultural Vehicles, 68 O.S. § 708***
Special fuel imported by persons transporting livestock and farm products to or from the market.
6. ***Road Machinery and Equipment, 68 O.S. § 708***
Special fuel used in road machinery and equipment built for and used on location in the construction of public highways.
7. ***Passenger Motor Buses or Coaches, 68 O.S. § 708***
Special fuel used in passenger motor buses or coaches with a seating capacity of 10 or more persons used in public transit systems.

8. **County, City or Town Vehicles, 68 O.S. § 708**
Special fuel purchased by any county, city or town for use in vehicles operated for the benefit of the county, city or town.
9. **School Districts, 68 O.S. § 708**
Special fuel purchased by an Oklahoma school district for use in vehicles for the sole benefit of the school district.
10. **State Department of Transportation, 68 O.S. § 708**
Special fuel purchased by the Oklahoma Department of Transportation for use in vehicles for the sole benefit of the Department of Transportation.
11. **Credit for Special Fuel Consumed Outside the State, 68 O.S. § 722**
Special fuel upon which tax has been paid and is used outside Oklahoma.
12. **Fee in Lieu of Tax, 68 O.S. § 723**
Flat fee of \$50 on liquefied petroleum gas (LPG) or natural gas used to propel automobiles, vans and pickup trucks not exceeding one ton capacity; \$100 per year for those not exceeding one ton capacity using methanol or "M-85"; and \$150 for those exceeding one ton capacity using LPG, methanol or "M-85". These fees are in lieu of the special fuel tax.

H. COIN-OPERATED MUSIC AND AMUSEMENT DEVICE FEES

A coin-op fee is for vending, music, amusement, and bulk-vending devices and is in lieu of sales tax. An annual decal is required. No reporting requirement exists for coin-op devices exempted by statute and therefore tax expenditure estimates are unavailable.

1. **Vending Devices Owned by Schools, Churches, or Governments, 68 O.S. § 1503.1**
Coin-operated vending devices owned by and located in a public or private school, a church, or a governmental entity.
2. **Newspaper Vending Devices, 68 O.S. §1503.1**
Coin-operated vending devices that dispense only newspapers or periodicals.
3. **Postage Stamp Vending Devices, 68 O.S. §1503.1**
Coin-operated vending devices that dispense only postage stamps.
4. **Vending Devices Installed on Federal Military Bases, 68 O.S. §1503.1**
Coin-operated vending devices installed on federal military bases.

I. MOTOR VEHICLE RENTAL TAX

1. **Lease Vehicles, 68 O.S. § 2110**
Vehicles subject to any lease agreements.
Estimate: *Information Unavailable*
2. **Prorate Vehicles, 68 O.S. § 2110**
Truck or truck-tractors having a combined laden weight of 8,000 pounds or more and registered pursuant to the International Registration Plan.
Estimate: *Information Unavailable*

3. **Trailers or Semitrailers, 68 O.S. § 2110**
Trailers or semitrailers registered pursuant to 47 O.S. § 1133.
Estimate: *Information Unavailable*
4. **State Government, 68 O.S. § 2110**
Vehicle rentals to state government entities.
Estimate: \$28,000
Data Source: Tax Commission Records
Reliability: 1
5. **Bad Debt Deduction, 68 O.S. § 2110**
Vehicle rental tax deduction from gross receipts for bad debts.
Estimate: \$0
Data Source: Tax Commission Records
Reliability: 1

J. DOCUMENTARY STAMP TAX

All property transferred by deed not specifically exempted by statute is subject to the documentary stamp tax. No centralized database exists to compile the property value or tax information for the property transfers exempted and therefore estimates are unavailable.

1. **Deeds Which Secure a Debt, 68 O.S. § 3202**
Deeds which secure a debt or other obligation.
2. **Supplemental Deeds, 68 O.S. § 3202**
Deeds which, without additional consideration, confirm, correct, modify or supplement a deed previously recorded.
3. **Deeds between Family Members, 68 O.S. § 3202**
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 spouse.
4. **Tax Deeds, 68 O.S. § 3202**
Tax deeds.
5. **Deeds of Release of Property, 68 O.S. § 3202**
Deeds of release of property that is security for a debt or other obligation.
6. **Deeds Executed by Indian Tribal Members, 68 O.S. § 3202**
Deeds executed by members of Indian tribes in approval proceedings of the district courts or by the Secretary of the Interior.
7. **Deeds of Partition, 68 O.S. § 3202**
Deeds of partition, unless, for consideration, some of the parties take shares greater in value than their individual interests.
8. **Merger Deeds, 68 O.S. § 3202**
Deeds made pursuant to mergers of partnerships, limited liability companies, or corporations.

9. **Deeds to a Parent Corporation, 68 O.S. § 3202**
Deeds made by a subsidiary corporation to its parent corporation for no consideration.
10. **State of Oklahoma, 68 O.S. § 3202**
Deeds or instruments to which Oklahoma or any of its instrumentalities, agencies or subdivisions is a party.
11. **United States of America, 68 O.S. § 3202**
Deeds or instruments to which the United States or any of its agencies or departments is a party.
Estimate: \$0²³
12. **Foreclosure Deeds, 68 O.S. § 3202**
Deeds executed pursuant to a foreclosure proceeding in which the grantee is the holder of a mortgage on the property being foreclosed.
13. **Oklahoma Space Industry Development Authority Deeds, 68 O.S. § 3202**
Deeds or instruments to which the Oklahoma Space Industry Development Authority or a spaceport user is a party.

K. CHARITY GAMES TAX

1. **Veterans' Organizations, 3A O.S. § 421**
Sales of bingo faces, U-PIK-EM bingo game sets, breakopen ticket games, and other charity game equipment to certain veterans' organizations.
Estimate: *Information Unavailable*
2. **Group Home for Mentally Disabled Individuals, 3A O.S. § 421**
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 Section 501(c)(3) of the Internal Revenue Code.
Estimate: *Information Unavailable*
3. **Charitable Healthcare Organization, 3A O.S. § 421**
Sales of bingo faces, U-PIK-EM bingo game sets, breakopen ticket games, and other charity games equipment to a charitable healthcare organization exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code.
Estimate: *Information Unavailable*
4. **Bad Debt Credit, 3A O.S. § 422**
Credit allowed for taxes paid by the distributor that become uncollectible from an organization.
Estimate: \$0
Data Source: Tax Commission Records
Reliability: 1

²³ 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.

5. ***Damaged Equipment, 3A O.S. § 422***
Credit for tax paid on damaged bingo faces, U-PIK-EM bingo game sets, breakopen ticket games, or charity game equipment.
Estimate: \$0
Data Source: Tax Commission Records
Reliability: 1

L. BOAT AND OUTBOARD MOTOR REGISTRATION FEES

1. ***Military Personnel, 63 O.S. § 4021***
Boats/motors owned by an active duty member (or spouse) of the U.S. Armed Forces who are either a resident of, or stationed in, Oklahoma.
Estimate: \$8,000
Data Source: Service Oklahoma
Reliability: 3
2. ***Boat and Motor Replacement Credit, 63 O.S. § 4021***
Credit allowed towards the registration fee of a new boat/motor that is a replacement for a stolen or defective new original boat/motor.
Estimate: Minimal
Data Source: Service Oklahoma
Reliability: 3
3. ***State of Oklahoma, 63 O.S. § 4021***
Boats/motors owned by Oklahoma, its agencies, departments, or political subdivisions.
Estimate: \$16,000
Data Source: Service Oklahoma
Reliability: 3
4. ***Houseboats of a Fleet of Twenty or More Vessels, 63 O.S. § 4021***
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: Service Oklahoma
Reliability: 3
5. ***Boy Scouts of America, Girl Scouts of U.S.A. and Campfire Girls, 63 O.S. § 4021***
Boats/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: \$1,000
Data Source: Service Oklahoma
Reliability: 3
6. ***Donated Boats and Motors, 63 O.S. § 4021***
Boats/motors donated to nonprofit charitable organizations.
Estimate: Minimal
Data Source: Service Oklahoma
Reliability: 3

M. BOAT AND OUTBOARD MOTOR EXCISE TAX

1. ***Donated Boats and Motors, 63 O.S. § 4021***
Boats/motors donated to nonprofit charitable organizations.
Estimate: *Information Unavailable*
2. ***Marital and Parental Transfers, 63 O.S. § 4103***
Transfers of boats/motors, without consideration, between a husband and wife or parent and child.
Estimate: \$196,000
Data Source: Service Oklahoma
Reliability: 3
3. ***Replacement Boat and Motor, 63 O.S. § 4103***
Credit allowed with respect to excise tax paid for a new boat/motor that is a replacement for a stolen or defective new original boat/motor.
Estimate: Minimal
Data Source: Service Oklahoma
Reliability: 3
4. ***New Resident, 63 O.S. § 4106***
Boat/motor brought into this state by a person formerly living in another state, who has owned and registered the boat/motor in such other state at least 60 days prior to being subject to registration in this state.
Estimate: \$115,000
Data Source: Service Oklahoma
Reliability: 3
5. ***Government Entities, 63 O.S. § 4106***
Any boat/motor registered by the United States, Oklahoma, or by any of their political subdivisions.
Estimate: \$8,000
Data Source: Service Oklahoma
Reliability: 3
6. ***Inherited, 63 O.S. § 4106***
Any boat/motor, the legal ownership of which was obtained by the owner through inheritance.
Estimate: \$104,000
Data Source: Service Oklahoma
Reliability: 3
7. ***Used Boat and Motor Dealers, 63 O.S. § 4106***
Description: Any boat/motor owned and being offered for sale by a licensed boat/motor dealer.
Estimate: \$40,000
Data Source: Service Oklahoma
Reliability: 3

8. ***Foreclosure, 63 O.S. § 4106***

Any boat/motor, the ownership of which was obtained by the lienholder or mortgagee under or by a foreclosure of a lien or mortgage.

Estimate: \$27,000

Data Source: Service Oklahoma

Reliability: 3

9. ***Boy Scouts of America, Girl Scouts of U.S.A. and Campfire Girls, 63 O.S. § 4106***

Boats/motor 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: \$1,000

Data Source: Service Oklahoma

Reliability: 3

10. ***Corporate and Partnership Boats and Motors, 63 O.S. § 4106***

Any boat or motor transferred pursuant to the formation or dissolution of a corporation or partnership.

Estimate: \$2,000

Data Source: Service Oklahoma

Reliability: 3