

THE VILLAGE CITY CODE

**CHAPTER 22**

**TAXATION**

- Art. I. In General, §§22-1--22-15
- Art. II. Sales Tax, §§22-16--22-41
- Art. III. Use Tax, §§22-60--22-79
- Art. IV. Gross Receipts Tax, §§22-100--22-107

**ARTICLE I. IN GENERAL**

Secs. 22-1--22-15. Reserved.

**ARTICLE II. SALES TAX**

**Sec. 22-16. Citation.**

This article shall be known and may be cited as "The Village Sales Tax Ordinance."

(Code 1976, §5-1-1)

**Sec. 22-17. Definitions.**

The definitions of words, terms and phrases contained in the Oklahoma Statutes, Title 68, Section 1352 are hereby adopted by reference and made a part of this article. In this article, "tax collector" means the department of the city government or the official agency of the state duly designated according to law or contract authorized by law to administer the collection of the tax herein levied.

(Code 1976, §§ 5-1-14, 5-1-16)

**Sec. 22-18. Article cumulative.**

The provisions of this article shall be cumulative, and in addition to any and all other taxing provisions of city ordinances.

(Code 1976, § 5-1-23)

Cross references--Ordinances levying or assessing taxes not inconsistent with this Code saved from repeal, § 1-6(5); licenses, permits and miscellaneous business regulations, Ch. 22.

State law reference--Municipal taxation generally, 68 O.S. §2701 et seq.

**Sec. 22-19. Amendments.**

The people of the city by their approval of this article at an election authorize the city council by ordinances duly enacted to make such administrative and technical changes or additions to the method and manner of administration and enforcing this article as may be necessary or proper for efficiency and fairness except that the rate of the tax herein provided shall not be changed without approval of the qualified electors of the city as provided by law.

(Code 1976, § 5-1-15)

**Sec. 22-20. Subsisting state permits.**

All valid and subsisting permits to do business issued by the Oklahoma Tax Commission pursuant to the Oklahoma Sales Tax Code are, for the purposes of this article hereby ratified, confirmed and adopted in lieu of any requirement for an additional city permit for the same purpose.

(Code 1976, § 5-1-2)

State law reference--Permits to do business, 68 O.S. § 1364.

**Sec. 22-20.1 Violations.**

Violations of this article are Class A offenses.

**Sec. 22-21. Classification of taxpayers; business.**

For the purpose of this article, the classification of taxpayers hereunder shall be as prescribed by state law for purposes of the Oklahoma Sales Tax Code.

(Code 1976, § 5-1-11)

State law reference--Classification of vendors, 68 O.S. § 1363.

**Sec. 22-22. Purpose of revenues.**

It is hereby declared to be the purpose of this article to provide revenues for the support of the functions of the municipal government of the city.

(Code 1976, § 5-1-4)

**Sec. 22-23. Tax levied; sales subject to tax.**

(a) There is hereby levied an excise tax of two (2) percent upon the gross proceeds or gross receipts derived from all sales taxable under the Oklahoma Sales Tax Code, including but not exclusive of the following: (Ord. No. 431, § 1, 10-26-89; Ord. No. 432, § 1, 10-26-89)

(1) Tangible personal property;

(2) Natural or artificial gas, electricity, ice, steam, or any other utility or public service, except water.

(3) Transportation for hire or persons by common carriers, including railroads, both steam and electric, motor transportation companies, airlines and all other means of transportation for hire;

(4) Service by telephone and telegraph companies to subscribers or users, including transmission of messages, whether local or long distance. This shall include all services and rental charges having any connection with transmission of any message;

(5) Printing or printed matter of all types, kinds and character and the service of printing or overprinting;

(6) Service of furnishing rooms by hotels, apartment hotels, public rooming houses and public lodging houses and tourist camps;

(7) Service of furnishing storage or parking privileges by auto hotels and parking lots;

(8) Food, confections and all drinks sold or dispensed by hotels, restaurants, or other dispensers, and sold for immediate consumption upon the premises or delivered or carried away from the premises for consumption elsewhere;

(9) Advertising of all kinds, types and character, including any and all devices used for advertising purposes and the servicing of any advertising devices, except as provided in section 22-24, paragraph (14);

(10) Dues or fees to clubs, and the sale of tickets or admission to places of amusement, to athletic entertainment, recreational events, or dues or fees for the privilege of having access to or the use of amusement, entertainment, athletic or recreational facilities, including free or complimentary passes, tickets, dues or fees are hereby declared to have a value equivalent to the sale price of tickets, passes, admissions, fees or dues of like kind or character.

## THE VILLAGE CITY CODE

(b) For the purpose of this article, sales of services and tangible personal property made for the purpose of developing real estate even though such real estate is intended for resale as real property are hereby declared to be sales to consumers or users. Sales of service and tangible personal property including materials, supplies and equipment made to contractors who use same in the performance of any contract, are hereby declared to be sales to consumers or users and not sales for resale. Sales of tangible personal property to persons who are primarily engaged in selling their services shall be deemed sales to consumers or users and therefore, taxable. Sales of tangible personal property to peddlers, solicitors and other salesmen who do not have established places of business shall be deemed to be sales to consumers or users, and therefore, taxable.

(c) The total retail sale price receipted for the sale, preparation or service of mixed beverages, ice, and non-alcoholic beverages to be mixed with alcoholic beverages for consumption on the premises where such sale, preparation and service occurs shall constitute the gross receipts from such transaction.

(d) The general-purpose sales tax rate provided in Section 22-23 (a) herein shall be increased by an amount equal to three quarters of one percent (3/4%). (Ord. No. 431, § 2, 10-26-89)

(Editor's note: This ¾% permanent sales tax increased the sales tax rate to 2.75% on July 1, 1990.)

(e) The sales tax rate provided in Section 22-23 (a) herein shall be increased by an amount equal to one half of one percent (1/2%). (Ord. No. 432, § 2, 10-26-89)

(Editor's note: This ½% temporary tax increased the sales tax rate to 3.25% on July 1, 1990. The temporary levy lapsed on June 30, 1994, thereby reducing the sales tax rate to 2.75% on July 1, 1994)

(f) The sales tax rate provided in Section 22-23 (a) herein shall be increased by an additional amount equal to one and one quarter percent (1-1/4%). (Ord. No. 567, §1, 4-3-01)

(Editor's note: This 1-1/4% permanent sales tax increased the sales tax rate to 4% on July 1, 2001)

(Code 1976, § 5-1-5; Ord. No. 221, § 1, 8-3-76; Ord. No. 354, § 1, 7-16-85; Ord. No. 394, § 1, 9-15-87; Ord. No. 396, § 1, 10-13-87; Ord. No. 397, § 1, 10-13-87; Ord. No. 431, §§ 1, 2, 10-26-89; Ord. No. 432, §§ 1, 2, 10-26-89; Ord. No. 567, §§ 1-4, 4-3-01)

State law reference--levy of state sales tax, 68 O.S. § 1354.

**Sec. 22-24. Exemptions generally.**

There is hereby specifically exempted from the tax levied by this article the gross receipts or gross proceeds exempted from the Oklahoma Sales Tax Code inclusive but not exclusive of the following:

- (1) Sales of raw products from the farm, orchard or garden where such sale is made by the producer of such raw products directly to the consumer or user; gross receipts or gross proceeds derived from the sale of livestock, poultry, poultry products derived from the sale of livestock, poultry, poultry products, and dairy products by the producers; exemptions granted by this paragraph shall not apply when such articles are sold, even though by the producer thereof, at or from an "established business place" not on a farm; neither shall this exemption apply unless said articles are produced or grown within the state. The provisions of this paragraph are intended to exempt the sale by livestock producers of livestock sold at special livestock sales. The provisions of this paragraph are intended to exempt the sale of dairy products when sold by a dairyman or farmer who owns all of the cows from which the dairy products he sells are produced. The provisions of this paragraph shall not be construed to exempt sales of dairy products by any other business. The provisions of this paragraph shall not be construed to exempt sales by florists, nurserymen and chicken hatcheries.
- (2) Dues paid to fraternal, religious, civic, charitable or educational societies or organizations by regular members, thereof, provided, such societies or organizations operate under what is commonly termed the lodge plan or system, and provided such societies or organizations do not operate for a profit which inures to the benefit of any individual member or members thereof to exclusion of other members.
- (3) Sale of tangible personal property or services to or by churches, except where such organizations may be engaged in business for profit or savings, competing with other persons engaged in the same or similar business.
- (4) Gross receipts and gross proceeds deriving from the transportation of schoolchildren to and from schools and high schools in motor and other vehicles.
- (5) Transportation of persons where the fare of each person does not exceed fifteen cents (\$0.15), or local transportation of persons within the corporate limits of cities and towns except by taxicabs.

## THE VILLAGE CITY CODE

- (6) Sale of food in public, common, high school or college cafeterias and lunchrooms operated primarily for teachers and pupils, not operated for the public and not operated for profit.
- (7) Carrier sales made directly to consumers or users or newspapers or any other periodicals where any individual transaction does not exceed twenty cents (\$.20).
- (8) Sales to the United States Government, State of Oklahoma, or any of its political subdivisions.
- (9) Sale of gasoline or motor fuel on which the motor fuel tax, gasoline excise tax or special fuels tax has been paid to the state.
- (10) Sale of crude petroleum or natural or casing head gas and other products subject to gross production tax under the provisions of the laws of this state. The exemption shall not apply when such products are sold to a consumer or user for consumption or use, except when used for injection into the earth for the purpose of promoting or facilitating the production of oil or gas.
- (11) Sales of motor vehicles attached optional equipment and accessories, on which sale the Oklahoma motor vehicle excise tax has been paid.
- (12) Sales by county, district and state fairs.
- (13) Sale of advertising space in newspaper and periodicals and billboard advertising service, and sales of time for radio and television broadcasts of advertising.
- (14) Sales for resale to persons regularly engaged in the business of reselling the articles purchased, whether within or without the state, provided that such sales to residents of this state are made to persons to whom sales tax permits have been issued by the Oklahoma Tax Commission as provided by law. This exemption shall not apply to the sales of articles made to persons holding permits when such persons purchase items for their use and which they are not regularly engaged in the business of reselling; neither shall this exemption apply to sales of tangible personal property to peddlers, solicitors and other salesmen who do not have sales tax permits or established places of business.
- (15) Goods, wares, merchandise, and property sold for use in manufacturing, compounding, processing, assembling or preparing for sale shall be classified as having been sold for the purpose of resale or the subject matter of resale only in the event:

## THE VILLAGE CITY CODE

- (a) Such goods, wares, merchandise, or property are purchased for the purpose of being manufactured into a finished article and if it becomes a recognizable, integral part of the manufactured, compounded, processed, assembled or prepared products; or
  - (b) If it is consumed in the process of manufacturing, compounding, processing, assembling or preparing products for resale.
- (16) Sale of machinery and equipment purchased and used by persons establishing new manufacturing or processing plants in Oklahoma, and machinery and equipment purchased and used by persons in the operation of manufacturing plants already established in Oklahoma, provided, this exemption shall not apply unless such machinery and equipment is incorporated into, and is directly used in, the process of manufacturing property subject to taxation hereunder. The term "manufacturing plants" shall mean those establishments primarily engaged in manufacturing or processing operations, and generally recognized as such.
- (17) Sale of tangible personal property manufactured in Oklahoma when sold by the manufacturer to a person who transports it to another state for immediate and exclusive use in some other state.
- (18) Sale of an interest in tangible personal property to a partner or other person who after such sale owns a joint interest in such tangible personal property where the Oklahoma sales or use tax has previously been paid on such tangible personal property.
- (19) Sales of containers shall be exempt when sold to a person regularly engaged in the business of reselling empty or filled containers, or when he purchases such containers for the purpose of packaging raw products or farm, garden or orchard, for resale to the consumer or processor, provided, this exemption shall not apply to the sale of containers used more than once and which are ordinarily known as returnable containers unless a tax under this article is collected and paid to the tax collector with respect to each and every transfer by such person of title or possession of such returnable container if made to any consumer or user within this state; nor shall it apply to the sale of labels or other material delivered along with items sold but which are not necessary or absolutely essential to the sale of the sold merchandise.
- (20) Exemptions of poultry and livestock feed, and farm machinery as prescribed by the Oklahoma Sales Tax Code shall be equally applicable as exemptions

THE VILLAGE CITY CODE

from the tax herein levied. All sales of farm machinery within the city are specifically exempted from the city tax levied by this article.

(Code 1976, §5-1-6; Ord. No. 354, § 2, 7-16-85)

State law reference--General exemptions from the state sales tax, 68 O.S. §1357.

**Sec. 22-25. Exemption of fertilizer.**

In addition to all other exemptions allowed by this article, the sales of agricultural fertilizer to persons regularly engaged for profit in the business of farming and/or ranching which are exempt from state sales taxes under provision of Oklahoma Statutes, title 68, section 1358(E)(2) shall likewise be exempt from the city sales tax herein levied.

(Code 1876, §5-1-21)

**Sec. 22-26. Other exempt transfers.**

There is hereby specifically exempted from the tax herein levied the transfer of tangible personal property exempted from the Oklahoma Sales Tax Code inclusive but not exclusive of the following:

(1) From one corporation to another corporation pursuant to a reorganization. As used in this paragraph "reorganization" means:

a. A statutory merger or consolidation;

b. The acquisition by a corporation of substantially all of the properties of another corporation when the consideration is solely all or a part of the voting stock of the acquiring corporation, or of its parent or subsidiary corporation;

(2) In connection with the winding up, dissolution or liquidation of a corporation only when there is a distribution in kind to the shareholders of the property of such corporation;

(3) To corporation for the purpose of organization of such corporation where the former owners of the property transferred are immediately after the transfer in control of the corporation and the stock or securities received by each is substantially in proportion to this interest in the property prior to the transfer;

(4) To a partnership in the organization of such partnership if the former owners of the property transferred are immediately after the transfer, members of such



THE VILLAGE CITY CODE

partnerships and the interest in the partnership, received by each, is substantially in proportion to this interest in the property prior to the transfer;

(5) From a partnership to the members thereof when made in kind in the dissolution of such partnership.

(Code 1976, §5-1-7)

State law reference--Exempt transfers, 68 O.S. §1360.

**Sec. 22-27. Due date; returns; records.**

The tax levied hereunder shall be due and payable at the time and in the manner and form prescribed for payment of the state sales tax under Oklahoma Sales Tax Code.

(Code 1976, §5-1-8)

State law reference--Due date, etc., of state sales tax, 68 O.S. §1365.

**Sec. 22-28. Payment of tax.**

The tax herein levied shall be paid to the tax collector at the time in form and manner provided for payment of state sales tax under the Oklahoma Sales Tax Code.

(Code 1976, §5-1-9)

State law reference--Remittance of state sales tax, 68 O.S. §1362.

**Sec. 22-29. Vendor's duty to collect tax.**

(a) The tax levied hereunder shall be paid by the consumer or user to the vendor, and it shall be the duty of each and every vendor in this city to collect from the consumer or user, the full amount of the tax levied by this article, or an amount equal as nearly as possible or practicable to the average equivalent thereof.

(b) Vendors shall add the tax imposed hereunder, or the average equivalent thereof, to the sales price or charge, and when added such tax shall constitute a part of such price or charge, shall be debt from the consumer or user to vendor until paid, and shall be recoverable at law in the same manner as other debts.

(c) A vendor who willfully or intentionally fails, neglects or refuses to comply with the provisions or remits or rebates to a consumer or user, either directly or indirectly, and by whatsoever means, all or any part of the tax herein levied, or makes

## THE VILLAGE CITY CODE

in any form of advertising, verbally or otherwise, any statement which infers that he is absorbing the tax, or paying the tax for the consumer or user by an adjustment of prices or at a price including the tax, or in any manner whatsoever, shall be deemed guilty of an offense.

(Code 1976, §5-1-12)

State law reference--Payment, collection, etc., of state sales tax, 68 O.S. §1361.

### **Sec. 22-30. Returns and remittance; discounts.**

Returns and remittances of the tax herein levied and collected shall be made to the tax collector at the time, and in the manner form and amount as prescribe for returns and remittances required by the Oklahoma Sales Tax Code. Remittances of tax collected hereunder shall be subject to the same discount as may be allowed by said code for collection of state sales taxes.

(Code 1976, §5-1-13)

State law reference-Remittance of state sales tax, 68 O.S. §1362; discount for collection of state sales tax, 68 O.S. §1367.

### **Sec. 22-31. Interest and penalties--Delinquency.**

Oklahoma Statutes, title 68, section 217, is hereby adopted and made a part of this article, and interest and penalties at the rates and in amounts as therein specified are hereby levied and shall be applicable in cases of delinquency in reporting and paying the tax levied by said ordinance. The failure or refusal of any taxpayer to make and transmit the reports and remittances of tax in the time and manner required by this article shall cause such tax to be delinquent. In addition, if such delinquency continues for a period of five (5) days the taxpayer shall forfeit his claim to any discount allowed hereunder this article.

(Code 1976, §5-1-17)

### **Sec. 22-32. Waiver of interest and penalties.**

The interest or penalty or any portion thereof accruing by reason of a taxpayer's failure to pay the city tax herein levied may be waived or remitted in the same manner as provided for the waiver or remittance as applied in administration of the state sales tax provided in Oklahoma Statutes, title 68, section 220; and to accomplishing the purposes of this section the applicable provisions of said section 220 are hereby adopted by reference and made a part of this article.

(Code 1976, §5-1-18)

**Sec. 22-33. Tax, etc., constitutes preferred claim.**

The taxes, penalty and interest due hereunder shall at all times constitute a prior, superior and paramount claim as against the claims of unsecured creditors and may be collected by suit as any other debt.

(Code 1976, §5-1-10)

**Sec. 22-34. Erroneous payments; claim for refund.**

Refund or erroneous payment of the city sales tax herein levied may be made to any taxpayer making such erroneous payment in the same manner and procedure, and under the same limitations of time, as provided for administration of the state sales tax as set forth in Oklahoma Statutes, title 68, section 227, and to accomplish the purposes of this section, the applicable provisions of said section 227 are hereby adopted by reference and made a part of this article.

(Code 1976, §5-1-19)

**Sec. 22-35. Fraudulent returns.**

In addition to all civil penalties provided by this ordinance, the willful failure or refusal of any taxpayer to make reports and remittances herein required, or the making of any false and fraudulent report for the purpose of avoiding or escaping payment of any tax or portion thereof rightfully due under this ordinance shall be a Class A Offense, and upon conviction thereof the offending taxpayer shall be punished by a fine of not more than Seven Hundred dollars (\$750.00) and/or sixty days (60) imprisonment. Each day of noncompliance with this ordinance shall constitute a separate offense

(Code 1976, §5-1-20; Code 2004)

**Sec. 22-36. Records confidential.**

The confidential and privileged nature of the records and files concerning the administration of the city sales tax is legislatively recognized and declared, and to protect the same the provisions of Oklahoma Statutes, title 68, section 205, and each subsection thereof is hereby adopted by reference and made fully effective and applicable to administration of the city sales tax as if set forth in full.

(Code 1976, §5-1-22)

**Sec. 22-37. Purpose of Funds.**

- a) It is hereby declared to be the purpose of Ordinance 431 to provide additional general-purpose revenues from a three-quarters of one percent (3/4%) increase in the excise tax on all sales taxable under the Sales Tax Code of Oklahoma as amended or revised for, but not limited to, increasing the number of Police and Fire Department personnel and providing [for] competitive compensation for said departments. (Ord. No. 431, Section 3, 10-26-1989)
- b) It is hereby declared to be the exclusive purpose of Ordinance 432 to provide additional revenues from a one-half of one percent (1/2%) increase in the excise tax on all sales taxable under the Sales Tax Code of Oklahoma as amended or revised to construct, furnish and equip a municipal building to serve as a police station, jail, municipal court, and administration building and to renovate, expand, furnish and equip the existing fire station, and that all said revenues derived hereunder shall be expended by the city council of the City of The Village for the sole and exclusive purpose herein expressed. (Ord. No. 432, Section 3, 10-26-89)
- c) It is hereby declared to be the purpose of Ordinance 567 to provide general purpose revenues from an additional one and one quarter percent (1-1/4%) increase in the excise tax on all sales taxable under the Sales Tax Code of Oklahoma, as amended or revised.
- d) It is hereby declared to be the purpose of Ordinance 732 to provide revenues from an additional one-half percent (1/2%) increase in the excise tax on all sales taxable under the Sales Tax Code of Oklahoma, as amended or revised to be used to fund capital expenditures, all for the use and benefit of the City and any public trust having the City as beneficiary thereof, and/or for the payment of debt service in connection with obligations heretofore issued or to be issued by the City and any public trust having the City as beneficiary thereof to finance or refinance said capital expenditures and related costs. (Ord. No. 732, §3, 11-06-2017)

**Sec. 22-38 Expiration of Tax Increase.**

The increased levy of one-half percent excise tax provided herein shall terminate no later than thirty (30) days after the month in which either an amount equal to the total contract price for making the improvements specified in Section 22-37, Subsection (b), or two million dollars (\$2,000,000.00) whichever is less, has been collected in additional sales tax from said increase of the excise tax.

(Ord. No. 432, Section 4, 10-26-89)

**Sec. 22-39. Extension of excise tax increase requires vote of electors.**

The increased levy of said excise tax as provided herein shall not extend without a vote of approval by a majority of the registered qualified voters of the City of The Village, Oklahoma, voting on such question, in the manner prescribed by law.

(Ord. No. 432, Section 5, 10-26-89)

**Sec. 22-40. Approval of Voters and Effective Date.**

- a) Upon the approval of majority of the qualified registered voters of the City of The Village, Oklahoma voting on such question at a special municipal election in the manner prescribed by law, the provisions of this Ordinance (Ordinance 431 and 432) shall take effect upon the first day of the month following the termination of the one half percent (1/2%) library construction tax as authorized by Ordinance 397 of the City Code.
- b) Upon the approval of majority of the qualified registered voters of the City of The Village, Oklahoma voting on such question at a special municipal election in the manner prescribed by law, the provisions of this Ordinance (Ordinance 732) shall take effect on April 1, 2018. (Ord. No. 732, §4, 11-06-2017)

(Ord. No. 431, Section 4, 10-26-89; Ord. No. 432, Section 6, 10-26-89)

**Sec. 22-41. Tax Bracket System.**

The City Clerk is hereby authorized to publish for the convenience of vendors in the City of The Village a tax bracket system for collecting both the four- and one-half percent (4.5%) state sales tax and the applicable city sales tax. Such bracket system is designed and shall be interpreted in a manner consistent with the purposes of the bracket system as provided in Title 68 O.S. 1981 Section 1362, as amended or revised, in respect to the Sales Tax Code of Oklahoma.

The use of the bracket system guidelines hereby authorized does not relieve the vendor from the duty and liability to remit to the tax collector an amount equal to the applicable percent of gross receipts or gross proceeds derived from all sales during the taxable period described.

(Ord. No. 431, Section 5, 10-26-89; Ord. No. 432, Section 7, 10-26-89; Ord. No. 567, §4, 4-3-01)

THE VILLAGE CITY CODE

**ARTICLE III: USE TAX**

Secs. 22-42--22-59 Reserved.

**Sec. 22-60. Excise tax on storage, use or other consumption of intangible personal property levied.**

There is hereby levied and there shall be paid by every person storing, using or otherwise consuming within the municipality tangible, personal property purchased or brought into this municipality, an excise tax on the storage, use or other consuming within the municipality of such property at the rate of four percent (4%) of the purchase price of such property. Such tax shall be paid by every person storing, using or otherwise consuming, within the municipality, tangible, personal property purchased or brought into the municipality. The additional tax levied hereunder shall be paid at the time of importation or storage of the property within the municipality and shall be assessed to only property purchased outside Oklahoma; provided, that the tax levied herein shall not be levied against tangible personal property intended solely for use outside the municipality, but which is stored in the municipality pending shipment outside the municipality or which is temporarily retained in the municipality for the purpose of fabrication, repair, testing, alteration, maintenance or other service. Any person liable for payment of the tax authorized herein may deduct from such tax any local or municipal sales tax previously paid on such goods or services; provided, that the amount deducted shall not exceed the amount that would have been due if the taxes imposed by the municipality had been levied on the sale of such goods or services.

(Ord. No. 452, § 1, 12-18-90; Ord. No. 502, § 1, 6-7-94)

State law reference--Municipal taxation generally, 68 O.S. Section 2701 et seq.

**Sec. 22-61. Exemptions.**

The provisions of this ordinance shall not apply:

(a) In respect to the use of an article of tangible, personal property brought into the municipality by a nonresident individual visiting this municipality for his or her personal use or enjoyment while within the municipality;

(b) In respect to the use of tangible, personal property purchased for resale before being used;

(c) In respect to the use of any article of tangible, personal property on which a tax, equal to or in excess of that levied by both the Oklahoma Use Tax Code and the City of The Village Use Tax Ordinance, has been paid by the person using such tangible, personal property in the municipality, whether such tax was levied under the laws of

## THE VILLAGE CITY CODE

Oklahoma or some other state or municipality of the United States. If any article of tangible, personal property has already been subjected to a tax by Oklahoma or any other state or municipality by both the Oklahoma Use Tax Code and the City of The Village Use Tax Code measured by the difference only between the rate provided by both the Oklahoma Use Tax Code and the City of The Village Use Tax Ordinance, and the rate by which the previous tax upon the sale or use was computed. Provided, that no credit shall be given for taxes paid in another state or municipality, if that state or municipality does not grant like credit for taxes paid in Oklahoma and the municipality;

(d) In respect to the use of machinery and equipment purchased and used by persons establishing new manufacturing or processing plants in the municipality, and machinery and equipment purchased and used by persons in the operation of manufacturing plants already established in the municipality. Provided, this exemption shall not apply unless such machinery and equipment is incorporated into, and is directly used in, the process of manufacturing property subject to taxation under the Sales Tax Code of the municipality. The term "manufacturing plants" shall mean those establishments primarily engaged in manufacturing or processing operations, and generally recognized as such;

(e) In respect to the use of tangible, personal property now specifically exempted from taxation under the Sales Tax Code of the municipality;

(f) In respect to the use of any article of tangible, personal property brought into the municipality by an individual with intent to become a resident of this municipality where such personal property is for such individual's personal use or enjoyment;

(g) In respect to the use of any article of tangible, personal property used or to be used by commercial airlines or railroads;

(h) In respect to livestock purchased outside Oklahoma and brought into this municipality for feeding or breeding purposes, and which is later resold.

(Ord No. 452, Section 1, 12-18-90)

### **Sec. 22-62. Time when due, returns, payment.**

The tax levied by this Ordinance is due and payable at the time and in the manner and form prescribed for payment of the State Use Tax under the Use Tax Code of the State of Oklahoma.

(Ord No. 452, Section 1, 12-18-90)

**Sec. 22-63. Tax constitutes debt.**

Such taxes, penalty and interest due hereunder shall at all times constitute a prior, superior and paramount claim as against the claims of unsecured creditors and may be collected by suit as any other debt.

(Ord No. 452, Section 1, 12-18-90)

**Sec. 22-64. Collection of tax by retailer or vendor.**

Every retailer or vendor maintaining places of business both within and without the state of Oklahoma, and making sales of tangible, personal property from a place of business outside this state for use in this municipality shall at the time of making such sales collect the use tax levied by this ordinance from the purchaser and give to the purchaser a receipt therefore in the manner and form prescribed by the Tax Commission, if the Tax Commission shall, by regulation, require such receipt. Each retailer or vendor shall list with the Tax Commission the name and location of any and all distribution or sales houses or offices of other places of business in this City.

(Ord No. 452, Section 1, 12-18-90)

**Sec. 22-65. Collection of tax by retailer or vendor not maintaining a place of business within state or both within and without state; permits.**

The Tax Commission may, in its discretion, upon application, authorize the collection of the tax herein levied by any retailer or vendor not maintaining a place of business within this state but who makes sales of tangible personal property for use in this municipality and by the out-of-state place of business of any retailer or vendor maintaining places of business both within and without Oklahoma and making sales of tangible, personal property at such out-of-state place of business for use in this municipality. Such retailer or vendor may be issued, without charge, a permit to collect such taxes, by the Tax Commission in such manner and subject to such regulations and agreements, as it shall prescribe. When so authorized, it shall be the duty of such retailer or vendor to collect the tax upon all tangible, personal property sold to his knowledge for use within this municipality. Such authority and permit may be canceled when at any time the Tax Commission considers that such tax can more effectively be collected from the person using such property in this municipality. Provided, however, that in all instances where such sales are made or completed by delivery to the purchaser within this municipality by the retailer or vendor in such retailer's or vendor's vehicle, whether owned or leased (not by common carrier), such sales or transactions shall continue to be subject to applicable municipality Sales Tax at the point of delivery and the tax shall be collected and reported under taxpayer's sales tax permit number accordingly.



**Sec. 22-66. Revoking permits.**

Whenever any retailer or vendor not maintaining a place of business in this state, or both within and without this state, and authorized to collect the tax herein levied, fails to comply with any of the provisions of this ordinance or the Oklahoma Use Tax Code or any order, rules or regulations of the Tax Commission, the Tax Commission may, upon notice and hearing as provided for in 68 O.S. 1981, Section 1408, by order revoke the use tax permit, if any, issued to such retailer or vendor, and if any such retailer or vendor is a corporation authorized to do business in this state, may, after notice and hearing above prescribed, cancel said corporation's license to do business in this state and shall issue a new license only when such corporation has complied with the obligations under this ordinance, the Oklahoma Use Tax Code, or any order, rules or regulations of the Tax Commission.

(Ord No. 452, Section 1, 12-18-90)

State law reference--68 O.S. 1981, Section 1408)

**Sec. 22-67. Remunerative deductions allowed vendors or retailers of other states.**

Returns and remittances of the tax herein levied and collected shall be made to the Tax Commission at the time and in the manner, form and amount as prescribed for returns and remittances required by the Oklahoma Use Tax Code; and remittances of tax collected hereunder shall be subject to the same discount as may be allowed by said code for the collection of State Use Taxes.

(Ord No. 452, Section 1, 12-18-90)

**Sec. 22-68. Interest penalties; delinquency.**

Section 217 of Title 68 O.S. 1981 is hereby adopted and made a part of this ordinance, and interest and penalties at the rates and in the amounts as therein specified are hereby levied and shall be applicable in cases of delinquency in reporting and paying the tax levied by this ordinance. Provided, that the failure or refusal of any retailer or vendor to make and transmit the reports and remittances of tax in the time and manner required by this ordinance shall cause such tax to be delinquent. In addition, if such delinquency continues for a period of five (5) days, the retailer or vendor shall forfeit his claim to any discount allowed under this ordinance.

(Ord No. 452, Section 1, 12-18-90)

State law reference--Adoption by reference, 11 O.S. §14-107.

**Sec. 22-69. Waiver of interest and penalties.**

The interest or penalty or any portion thereof accruing by reason of a retailer's or vendor's failure to pay the municipality tax herein levied may be waived or remitted in the same manner as provided for said waiver or remittance as applied in administration of the State Use Tax provided in 68. O.S. 1981, Section 227, and to accomplish the purposes of this section the applicable provisions of 68 O.S. 1981, Section 220 are hereby adopted by reference and made a part of this ordinance.

(Ord No. 452, Section 1, 12-18-90)

State law reference--Adoption by reference, 11 O.S. §14-107; State Use Tax, 68 O.S. 1981, §§ 220 and 227.

**Sec. 22-70. Erroneous Payments; claim for refund.**

Refund of erroneous payment of the municipality Use Tax herein levied may be made to any taxpayer making such erroneous payment in the same manner and procedure, and under the same limitations of time, as provided for administration of the State Use Tax as set forth in 68 O.S. 1981, Section 227, and to accomplish the purpose of this section, the applicable provisions of said Section 227 are hereby adopted by reference and made a part of this ordinance.

(Ord No. 452, Section 1, 12-18-90)

State law reference--Adoption by reference, 11 O.S. §14-107; State Use Tax, 68 O.S. 1981, §227.

**Sec. 22-71. Fraudulent returns; Violations.**

In addition to all civil penalties provided by this ordinance, the willful failure or refusal of any taxpayer to make reports and remittances herein required, or the making of any false and fraudulent report for the purpose of avoiding or escaping payment of any tax or portion thereof rightfully due under this ordinance shall be a Class A Offense, and upon conviction thereof the offending taxpayer shall be punished by a fine of not more than Seven Hundred and Fifty Dollars (\$750.00) and/or sixty days (60) imprisonment. Each day of noncompliance with this ordinance shall constitute a separate offense.

(Ord No. 452, Section 1, 12-18-90)

**Sec. 22-72. Records confidential.**

The confidential and privileged nature of the records and files concerning the administration of the municipality Use Tax is legislatively recognized and declared, and to protect the same the provisions of 68 O.S. 1981, Section 205, of the State Use Tax Code, and each subsection thereof, is hereby adopted by reference and made fully effective and applicable to administration of the municipality Use Tax as herein set forth in full.

(Ord No. 452, Section 1, 12-18-90)

State law reference--Adoption by reference, 11 O.S. §14-107; 68 O.S. 1981, Section 205.

**Sec. 22-73. Provisions cumulative.**

The provisions hereof shall be cumulative, and in addition to any and all other taxing provisions of the municipality ordinances.

**Sec. 22-74. Definitions.**

The definitions of words, terms and phrases contained in the Oklahoma Use Tax Code, Section 1401, 68 O.S. 1981, are hereby adopted by reference and made a part of this ordinance. In addition, thereto, the following words and teams shall be defined as follows:

1. City shall mean the City of The Village;
2. Transaction shall mean sale.

(Ord No. 452, Section 1, 12-18-90)

State law reference--Adoption by reference, 11 O.S. §14-107; State Use Tax, 68 O.S. 1981, §1401.

**Sec. 22-75. Tax collector defined.**

The term "tax collector" as used herein means the department of the municipal government or the official agency of the state, duly designated according to law or contract authorized by law, to administer the collection of the tax herein levied.

(Ord No. 452, Section 1, 12-18-90)

**Sec. 22-76. Classification of taxpayers.**

For the purpose of this ordinance, the classification of taxpayers hereunder shall be as prescribed by state law for purposes of the Oklahoma Use Tax Code.

(Ord No. 452, Section 1, 12-18-90)

**Sec. 22-77. Subsisting state permits.**

All valid and subsisting permits to do business issued by the Tax Commission pursuant to the Oklahoma Use Tax Code are for the purpose of this ordinance hereby ratified, confirmed and adopted in lieu of any requirement for an additional municipality permit for the same purpose.

(Ord No. 452, Section 1, 12-18-90)

**Sec. 22-78. Purposes of revenues.**

It is hereby declared to be the purpose of this ordinance to provide revenues for the support of the functions of the municipal government of the municipality, and any and all revenues derived hereunder may be expended by the governing body of the municipality for any purpose for which funds may be lawfully expended as authorized.

(Ord No. 452, Section 1, 12-18-90)

**Sec. 22-79. Effective date.**

The provisions of this Article shall become effective on and after January 1, 1991.

**Reserved. Secs 22-80--22-99.**

**ARTICLE IV: GROSS RECEIPTS TAX.**

**Sec. 22-100. Gross Receipts Tax Levied.**

(a) There is hereby levied and assessed an annual tax of two percent (2%) upon the gross receipts from residential and commercial sales of water, sewer service, and natural gas in the City of The Village, which tax shall be in lieu of another franchise, license, occupation, or excise tax levy by such city, as provided by O.S. Title 68, Chapter 25, as amended.

(b) The tax levied under this Article shall, when levied, apply to all persons, firms, associations, or corporations, engaged in the business of furnishing water, sewer

## THE VILLAGE CITY CODE

service, and natural gas within the corporate limits of The Village, except it shall not apply to any person, firm, association, or corporation operating under a valid franchise from said city.

(c) The tax levied under this Article shall be levied for a term of not less than one (1) year and shall be payable quarterly and placed in the general revenue fund of the city.

(d) Any person, firm, or corporation failing or refusing to pay such tax when levied shall be regarded as a trespasser and may be ousted from such city, and, in addition thereof, an action may be maintained against such persons, firm or corporation for the amount of the tax, and all expenses of collecting same, including reasonable attorney's fees.

(e) The tax so imposed shall constitute a first and prior lien on all the assets located within said city of any person, firm or corporation engaged in the business of selling water, sewer service, or natural gas within the city limits of the City of The Village.

(Ord. No. 10, §1, 12/30/1950; Ord. No. 13, §1-7, 3-31-51; 2000 Code; 2004 Code)