

1 1. Motor fuel for which proof of export is available in the
2 form of a terminal-issued destination state shipping paper:

3 a. exported by a supplier who is licensed in the
4 destination state, or

5 b. sold by a supplier to a licensed exporter for
6 immediate export;

7 2. Motor fuel which was acquired by an unlicensed exporter and
8 as to which the tax imposed by Section 500.4 of this title has
9 previously been paid or accrued and was subsequently exported by
10 transport truck by or on behalf of the licensed exporter in a
11 diversion across state boundaries properly reported in conformity
12 with Section 500.46 of this title;

13 3. Motor fuel exported out of a bulk plant in this state in a
14 tank wagon if the destination of that vehicle does not exceed
15 twenty-five (25) miles from the border of this state and as to which
16 the tax imposed by Section 500.4 of this title has previously been
17 paid or accrued, subject to gallonage limits and other conditions
18 established by the Oklahoma Tax Commission;

19 4. K-1 kerosene sold at retail through dispensers which have
20 been designed and constructed to prevent delivery directly from the
21 dispenser into a vehicle fuel supply tank, and K-1 kerosene sold at
22 retail through nonbarricaded dispensers in quantities of not more
23 than twenty-one (21) gallons for use other than for highway
24

1 purposes, under such rules as the Tax Commission shall reasonably
2 require;

3 5. Motor fuel sold to the United States or any agency or
4 instrumentality thereof;

5 6. Motor fuel used solely and exclusively in district-owned
6 public school vehicles or FFA and 4-H Club trucks for the purpose of
7 legally transporting public school children, and motor fuel
8 purchased by any school district for use exclusively in school buses
9 leased or hired for the purpose of legally transporting public
10 school children, or in the operation of vehicles used in driver
11 training;

12 7. Motor fuel used solely and exclusively as fuel to propel
13 motor vehicles on the public roads and highways of this state, when
14 leased or owned and being operated for the sole benefit of a county,
15 city, town, a volunteer fire department with a state certification
16 and rating, rural electric cooperatives, rural water and sewer
17 districts, rural irrigation districts organized under the Oklahoma
18 Irrigation District Act, conservancy districts and master
19 conservancy districts organized under the Conservancy Act of
20 Oklahoma, rural ambulance service districts, ambulance districts
21 established under Section 9C of Article X of the Oklahoma
22 Constitution, or federally recognized Indian tribes;

23 8. Motor fuel used as fuel for farm tractors or stationary
24 engines owned or leased and operated by any person and used

1 exclusively for agricultural purposes, except as to two and eight
2 one-hundredths cents (\$0.0208) per gallon of gasoline as provided in
3 subsection C of Section 500.4 of this title;

4 9. Gasoline, diesel fuel and kerosene sold for use as fuel to
5 generate power in aircraft engines, whether in aircraft or for
6 training, testing or research purposes of aircraft engines, except
7 as to eight one-hundredths of one cent (\$0.0008) per gallon as
8 provided in subsection B of Section 500.4 of this title;

9 10. Motor fuel sold within an Indian reservation or within
10 Indian country by a federally recognized Indian tribe to a member of
11 that tribe and used in motor vehicles owned by that member of the
12 tribe. This exemption does not apply to sales within an Indian
13 reservation or within Indian country by a federally recognized
14 Indian tribe to non-Indian consumers or to Indian consumers who are
15 not members of the tribe selling the motor fuel;

16 11. Subject to determination by the Tax Commission, that
17 portion of diesel fuel:

- 18 a. used to operate equipment attached to a motor vehicle,
19 if the diesel fuel was placed into the fuel supply
20 tank of a motor vehicle that has a common fuel
21 reservoir for travel on a highway and for the
22 operation of equipment, or
23 b. consumed by the vehicle while the vehicle is parked
24 off the highways of this state;

1 12. Motor fuel acquired by a consumer out of state and carried
2 into this state, retained within and consumed from the same vehicle
3 fuel supply tank within which it was imported;

4 13. Diesel fuel used as heating oil, or in railroad locomotives
5 or any other motorized flanged-wheel rail equipment, or used for
6 other nonhighway purposes other than as expressly exempted under
7 another provision;

8 14. Motor fuel which was lost or destroyed as a direct result
9 of a sudden and unexpected casualty;

10 15. Taxable diesel which had been accidentally contaminated by
11 dye so as to be unsaleable as highway fuel as proved by proper
12 documentation;

13 16. Dyed diesel fuel;

14 17. Motor fuel sold to the Oklahoma Space Industry Development
15 Authority or any spaceport user as defined in the Oklahoma Space
16 Industry Development Act; and

17 18. Biofuels or biodiesel produced by an individual with crops
18 grown on property owned by the same individual and used in a vehicle
19 owned by the same individual on the public roads and highways of
20 this state.

21 SECTION 2. This act shall become effective November 1, 2024.

22
23 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
24 02/22/2024 - DO PASS, As Amended and Coauthored.