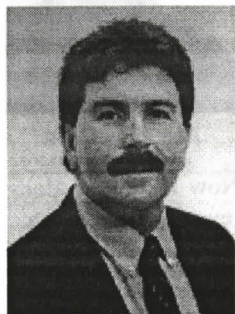


## TAX CREDIT DRAWS REPRESENTATIVES IRE

By Shawn Ashley  
Staff Writer

■(GIT) A tax credit for companies using more than 750 million tons of coal annually caught the attention of and drew the ire of some representatives on Wednesday, although the bill would go on to receive a passing vote.



Rep. Larry Rice

**SB911**, by Rep. Larry Rice, D-Pryor, defines economically at-risk oil leases, provides an exemption from gross production and sales taxes for such leases and creates the Energy Administration Reform Task Force. While

no House members voiced objections to those provisions of the bill, it was a provision inserted into the bill in conference committee that drew some representatives' ire.

The new provision allows companies which use 750 million tons of Oklahoma coal to receive a tax break equal to \$3 per ton. At present, Rice admitted during heated questioning from several representatives, only one facility in the state qualifies for that credit, which the Oklahoma Tax Commission estimated could cost the state up to \$3.6 million in revenue.

In addition, Rep. Howard Cotner, D-Altus, pointed out, the provision also allows the tax credit to be transferred or sold to practically any taxpayer in the state.

In debating against the bill, Cotner said he agreed with it in concept, but had to oppose it philosophically because of the transfer provision.

"That one phrase," he said, "could be disastrous to the state. It could set a precedent for future situations."

In defending his bill, Rice said the provision was added as a way to encourage coal-using companies to purchase Oklahoma coal, rather than out-of-state coal, which he said tended to be cheaper in price.

"The issue," Rice said, "is whether they're going to buy their excess coal from Oklahoma or Wyoming."

Questioned further about the provision,

*"Data data everywhere but not a thought to think."*

Theodore Roszak

Rice said a similar provision allowed for the transfer of the venture capital tax credit, and that the transfer provision included in the bill was a way to further make Oklahoma coal a competitive commodity.

"This will level the playing field," Rice said, "with out-of-state coal by helping the company's bottom line."

After the adoption of the bill's third conference committee report, the measure received a 78-20 passing vote.

## BINGO BILL NARROWLY PASSES

By Shawn Ashley  
Staff Writer

■(GIT) Its author said it would give the little guy a break, but House opponents to a bingo proposal unsuccessfully argued on Wednesday that the measure would benefit big hall operators and lead to more corruption.

Rep. Lloyd Fields, D-McAlester, told House members that **SB899** was designed to give small bingo hall operators, particularly those operating bingo halls for charities, the ability to keep their doors open. The bill allows bingo halls to use bingo cards or faces for up to five games and allows smaller halls to delay payment of bingo card taxes.

Rep. Wanda Jo Peltier, D-Oklahoma City and a long time proponent of stringent bingo regulation, questioned Fields extensively about what she claimed was his desire to give both large and small bingo operators a significant tax break, as well as the ability to dodge taxes.

The problem for small halls, Peltier said, was not that they must pay the taxes before they have the opportunity to collect revenue from the cards, but that those selling bingo cards sold them only in large lots, typically of 3,000 or 9,000 cards.

"If we really want to help the little guy,"

*"Another means of silently lessening the inequality of property is to exempt all from taxation below a certain point, and to tax the higher portions of property in geometric progression as they rise."*

Thomas Jefferson  
letter to James Madison  
Oct. 28, 1785

the Oklahoma City Democrat said, "we should force the distributors to sell the cards to them in smaller lots."

The bill, Peltier added, would encourage bingo hall operators, particularly larger ones, to try to get under the \$50,000 annual revenue limit to delay their tax payments. That would mean, she said, they would use counterfeit or out-of-state, untaxed cards in their halls.

"Where are the safeguards?" Peltier asked. Unless people are forced to pay the taxes up front, she said, "They won't pay them. We've seen that before."

Before bingo card taxes were collected from the distributors, Peltier explained, the taxes totaled approximately \$4.5 million. Once the taxes were paid up front when operators purchased the cards, that amount increased to \$12.5 million, she said.

"This is a sorry, sorry bill carried by a fine, fine legislator," she concluded.

Rep. Sean Voskuhl, D-Marshall, joined with Fields in urging support of the bill.

Voskuhl pointed to Covington, a small community in his district, in which the senior citizens center uses its bingo hall to support its feeding program for the elderly.

"It would be a crying shame," Voskuhl said, "if we didn't help these little towns and their senior citizens centers that help people."

Fields concluded the debate simply, saying once again that the bill was tailored to help small bingo facilities whose main goal was to support local projects.

"Just like everything," Fields said in response to Peltier's comments, "we've got some who aren't going to do these legally. All we can do is try to see that those laws are enforced."

The bill passed the House by a 51-49 vote. The bill's emergency clause, however, failed by a vote of 48-52.



Rep. Lloyd Fields



Rep. Wanda Jo Peltier