

to be placed to the credit of the General Revenue Fund of the state, to be paid out only pursuant to direct appropriations of the Legislature.

For taxable years beginning on or after January 1, 2010 and ending on or before December 31, 2012, there shall be allowed a credit against the tax levied by Section 2355 of Title 68 of the Oklahoma Statutes in the amount of Twenty-five Dollars (\$25.00) of the Oklahoma Business Activity Tax paid; provided, no credit shall be allowed for any amount of tax paid pursuant to subsection C of Section 5 of this act. The credit may only be taken for the year in which the Business Activity Tax is levied and may only be taken if the Business Activity Tax is timely paid. The credit shall not be refundable and shall not carry forward.

6. Workers' Compensation Insurance

Workers' compensation and tort reforms were enacted during the 2011 legislative session to spur economic development and increase competition, including within the insurance industry. Oklahoma's workplace future is bright as workers' compensation reforms improve the system for all parties by providing protections employers need while ensuring that claimants more readily receive the care and benefits they deserve. Policy discounts are available to firms participating in the Workers' Compensation Premium Reduction program at the Oklahoma Department of Labor. Discounts may also be available to certain employers that use the services of certified workplace medical plans. Additional information can be found at the Oklahoma Insurance Department's website at www.oid.ok.gov and the Department of Labor's website at www.ok.gov/odol.

7. Retail Sales and Use Tax

(68 O.S. §§ 1350 et seq. and 1401 et seq.)

Base Sales Tax: Gross proceeds or gross receipts from sales of tangible personal property and a few enumerated services to consumers or users.

Use Tax: Purchase price of tangible personal property purchased outside the state of Oklahoma for use and/or consumption within the state by the purchaser.

Rate: A 4.5% sales tax and use tax is levied by the state. Municipalities may levy an additional city sales tax by vote of the people. Counties may levy a county sales tax not to exceed 2% after voter approval. The governing body of a municipality or county levying a sales tax may also levy use tax at a rate that does not exceed the sales tax rate on tangible personal property purchased that is brought into the municipality or county.

For vendors with an average tax due of \$2,500 per month, sales tax reports are due the 20th day of the month for sales during the first half of the month. For sales occurring during the second half of the month, sales tax reports are due on the 20th of the month following the sales – reports are delinquent if not received on that date. Except for vendors of certain building materials, vendors who reported an average of \$2,500 per month in the prior fiscal year must participate in the Oklahoma Tax Commission's electronic funds transfer and electronic data interchange program. If good faith payments are made, as described in section 365 of Title 68, a taxpayer is considered to be in compliance. Direct pay permits may be obtained by those making purchases in