



This Week in State Tax (TWIST)

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Oklahoma: Exemption for Equipment in Digital Asset Mining

Oklahoma House Bill 1600, which was recently enacted, creates a new sales and use tax exemption for certain types of equipment used to mine digital assets. During the period beginning November 1, 2024 through December 31, 2029, the exemption applies to sales of machinery and equipment, including but not limited to, servers and computers, racks, power distribution units, cabling, switchgear, transformers, substations, software, and network equipment, as well as electricity used for commercial mining of digital assets in a colocation facility. "Commercial mining of digital assets" means the process through which blockchain technology is used to mine digital assets at a colocation facility. A "colocation facility" means a facility in Oklahoma utilized in the commercial mining of digital assets or in hosting persons engaged in the commercial mining of digital assets. A facility will not qualify as a "colocation facility" unless the facility has entered into a load reduction agreement, which is defined as an agreement between the customer and the local electric cooperative, municipality, electric utility, or market operator to temporarily reduce or curtail the customer's use of electric power to respond to inclement weather or other adverse conditions. Please contact [Brian Culvey](#) with questions on the new Oklahoma exemption.

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