ENGROSSED HOUSE
BILL NO. 1999

By: Mitchell and Bonny of the House

and

Morgan and Robinson of the Senate

(revenue and taxation - amending 68 O.S., Section 118 - clarifying procedures - effective date)

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 68 O.S. 2001, Section 118, as amended by Section 1, Chapter 397, O.S.L. 2003 (68 O.S. Supp. 2003, Section 118), is amended to read as follows:

Section 118. A. Upon receipt of a written request from a member or employee of the Legislature, the Oklahoma Tax Commission shall provide:

1. A written estimate of the net revenue gain or loss to the state as a result of an actual or proposed change to a state tax law; and

2. A written statement of the Tax Commission's recommendation to the State Board of Equalization as to the change in the amount certified as available for appropriation by the Legislature as a result of an actual or proposed change to a state tax law.

The Tax Commission shall provide such estimate and statement within two (2) weeks of the date the request was received unless the member or employee of the Legislature specifies an earlier date. If the Tax Commission determines that it is unable to provide such estimate and statement within the time period required by this section, it shall provide a written explanation and date by which

the estimate and statement will be provided to the member or employee.

B. For the purpose of providing an annual forecast of gross production tax revenues from the production of natural and casinghead gas to the Office of State Finance, the Tax Commission shall subscribe to appropriate reference materials which provide economic outlook of future gas prices that have most closely followed the historical trend of Oklahoma gas prices. To determine the average differential between the published forecasted prices and Oklahoma gas prices, the Tax Commission shall compare prices in at least twenty-four (24) previous months of production. The Tax Commission shall utilize the procedures provided herein to forecast the collection of gross production tax revenues from the production of natural and casinghead gas for the fiscal year beginning July 1, 2003, and each fiscal year thereafter.

SECTION 2. This act shall become effective July 1, 2004.

Passed the House of Representatives the 8th day of March, 2004.

_____
Presiding Officer of the House of Representatives

Passed the Senate the ____ day of _____, 2004.

_____
Presiding Officer of the Senate