ENROLLED HOUSE
BILL NO. 1250

By: Mitchell and Bonny of the House

and

Morgan and Robinson of the Senate

An Act relating to revenue and taxation; amending 68 O.S. 2001, Section 118, which relates to information provided by the Oklahoma Tax Commission; requiring subscription to certain reference materials; requiring certain comparisons; making appropriations to the Oklahoma Tax Commission; stating purpose of appropriations; requiring study by Tax Commission; requiring recommendations; providing for transfer of funds; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 2001, 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 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. There is hereby appropriated to the Oklahoma Tax Commission from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 2004, the sum of Five Hundred Thousand Dollars ($500,000.00) or so much thereof as may be necessary for the purpose of enhancing its gross production tax reporting and remittance system and the Commission's revenue forecasting system.

The Oklahoma Tax Commission shall conduct a study of the current statutory gross production tax reporting requirements and the system utilized by the Tax Commission to process the reports filed. The study shall also include a review of the data utilized by the Tax Commission to forecast annual gross production tax collections. The Tax Commission shall make any recommendations to the Legislature for statutory amendments necessary to implement the results of the study.

SECTION 3. On June 30, 2003, the Director of State Finance shall transfer Seven Million Five Hundred Ninety-six Thousand Eight Hundred Eighty Dollars and fifty-nine cents ($7,596,880.59) from the Oklahoma Building Bonds of 1992 Sinking Fund to the Special Cash Fund.

SECTION 4. The State Treasurer shall transfer from the Oklahoma Building Bonds of 1992 Sinking Fund to the General Revenue Fund, any balance in excess of debt service requirements after all settlements have been made in conjunction with the Oklahoma Building Bonds of 2003 and its sinking fund requirements.

SECTION 5. Sections 2 through 4 of this act shall become effective July 1, 2003.

Passed the House of Representatives the 29th day of May, 2003.

_____
Presiding Officer of the House of Representatives

Passed the Senate the 30th day of May, 2003.

_____
Presiding Officer of the Senate