

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 SENATE BILL 2068

By: Laughlin

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5
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68
8 O.S. 2001, Section 118, as last amended by Section 3,
9 Chapter 335, O.S.L. 2007 (68 O.S. Supp. 2007, Section
10 118), which relates to Oklahoma Tax Commission;
11 modifying date by which estimates must be prepared
12 using certain method; and providing an effective
13 date.

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

15 SECTION 1. AMENDATORY 68 O.S. 2001, Section 118, as last
16 amended by Section 3, Chapter 335, O.S.L. 2007 (68 O.S. Supp. 2007,
17 Section 118), is amended to read as follows:

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

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

23 2. A written statement of the Tax Commission's recommendation
24 to the State Board of Equalization as to the change in the amount

1 certified as available for appropriation by the Legislature as a
2 result of an actual or proposed change to a state tax law.

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

11 B. ~~As soon as is practicable~~ On or after December 31, ~~2008~~
12 2009, and subject to the availability of funds, the Tax Commission
13 shall develop the estimates and statements required by subsection A
14 of this section utilizing a dynamic revenue estimating model. Such
15 model shall take into consideration changes in economic activity as
16 a result of the proposed legislation and consequent revenue gains or
17 losses due to factors such as taxpayer behavior, employment and
18 business investment. The Tax Commission may, subject to the laws of
19 this state relating to confidentiality of information, contract with
20 institutions of higher education in this state or other entities to
21 perform its duties as set forth in this subsection. The Tax
22 Commission is authorized to promulgate rules to carry out the
23 implementation of this section.

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1 C. For the purpose of providing an annual forecast of gross
2 production tax revenues from the production of natural and
3 casinghead gas to the Office of State Finance, the Tax Commission
4 shall subscribe to appropriate reference materials which provide
5 economic outlook of future gas prices that have most closely
6 followed the historical trend of Oklahoma gas prices. To determine
7 the average differential between the published forecasted prices and
8 Oklahoma gas prices, the Tax Commission shall compare prices in at
9 least twenty-four (24) of the immediate thirty-six (36) previous
10 months of production. The Tax Commission shall utilize the
11 procedures provided herein to forecast the collection of gross
12 production tax revenues from the production of natural and
13 casinghead gas for the fiscal year beginning July 1, 2005, and each
14 fiscal year thereafter.

15 SECTION 2. This act shall become effective November 1, 2008.

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