

**BILL SUMMARY**  
1st Session of the 54<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 1919</b>
<b>Version:</b>	<b>CS</b>
<b>Request Number:</b>	<b>7339</b>
<b>Author:</b>	<b>Mr. Speaker</b>
<b>Date:</b>	<b>3/7/2013</b>
<b>Impact:</b>	<b>Tax Commission:</b>
	<b>No Impact in FY-14</b>
	<b>Estimated Revenue Decrease:</b>
	<b>FY-15: \$510,000</b>

**Research Analysis**

The Committee Substitute for HB1919 authorizes an income deduction for foster care expenses beginning January 1, 2014. The deduction is capped at \$2,500 for single persons and \$5,000 for married individuals filing a joint return.

Prepared By: Quyen Do

**Fiscal Analysis**

HB 1919 proposes to enact an income tax deduction (\$2,500 for single persons / \$5,000 for taxpayers filing a joint return) for expenses incurred to provide care for a foster child, effective for tax year 2014.

There are approximately 3,400 foster homes in Oklahoma<sup>1</sup>. Assuming a tax savings of \$150 for a \$5,000 deduction<sup>2</sup>, the annualized fiscal impact would be \$510,000. No change in withholding or estimated tax payments is expected; therefore, the full impact of \$510,000 will occur in FY15 when the 2014 returns are filed.

Prepared By: Mark Tygret

**Other Considerations**

None.