

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 54<sup>th</sup> Legislature

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| <b>Bill No.:</b>       | <b>HB 2832</b>                               |
| <b>Version:</b>        | <b>CS</b>                                    |
| <b>Request Number:</b> | <b>10043</b>                                 |
| <b>Author:</b>         | <b>Rep. Scott Martin</b>                     |
| <b>Date:</b>           | <b>2/17/2014</b>                             |
| <b>Impact:</b>         | <b>No Revenue Impact</b>                     |
|                        | <b>Tax Commission:</b>                       |
|                        | <b>Potential Minimal Administrative Cost</b> |

**Research Analysis**

HB2832 requires the Tax Commission to issue a separate exemption card to a spouse or household member of a person eligible for the 100% disabled veteran sales tax exemption if requested by the eligible person so that purchase can be made on their behalf.

Prepared By: Quyen Do

**Fiscal Analysis**

The measure amends 68 O.S. § 1357(34) which provides a sales tax exemption for sales to qualifying 100% disabled veterans and surviving spouses of deceased qualified veterans by requiring the Tax Commission to issue a separate sales tax exemption card to a spouse of an eligible person or to a member of the household, in which the eligible person resides and who is authorized to make purchases on the person's behalf.

While a spouse or household member of a qualifying disabled veteran may make purchases on the veteran behalf, it is the standard policy of the Commission to only issue an exemption card to the person or entity qualified for exemption pursuant to the Oklahoma Sales Tax Code. In the event that the veteran, spouse or authorized household member is without the card at the time of sale and sales tax is remitted, the veteran's exemption is not forfeited. The veteran may request a refund of the sales tax paid from the vendor by documenting the exemption at a later date or by submitting a refund request to the Oklahoma Tax Commission.

Information contained in Tax Commission records indicates that 24,573 100% disabled veteran and 1,384 surviving spouse exemption cards have been issued. For the purpose of this impact, it is estimated that 1.5 household members of each eligible person or 38,936 individuals would be issued an exemption card. The cost of postage, paper and envelopes in the approximate of \$35,431 is attributable to this proposed requirement. Therefore, enactment of this measure would result in administrative costs to the OTC of approximately \$35,431.

The estimate assumes the necessity to process all of the identified population, while the measure requires issuance only upon request by the qualified veteran.

Prepared By: Mark Tygret

**Other Considerations**

None.

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