

OKLAHOMA TAX COMMISSION

**FISCAL IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT
SECOND REGULAR SESSION, FIFTY-FOURTH OKLAHOMA LEGISLATURE**

DATE OF IMPACT STATEMENT: March 13, 2014

BILL NUMBER: HB 2509 **STATUS AND DATE OF BILL:** Engrossed Bill 3/5/14

AUTHORS: House Sears Senate Mazzei

TAX TYPE (S): Income Tax **SUBJECT:** Credit

PROPOSAL: Amendatory

HB 2509 proposes to amend 68 O.S. §§ 2357.301-304 (Credit for Employees in Aerospace Sector and the Credit for Employers in Aerospace Sector) by extending the sunset date to January 1, 2018, and to clarify the definition of a qualified employee.

EFFECTIVE DATE: November 1, 2014

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 15: Minimal decrease in income tax collections

ADMINISTRATIVE IMPACT:

Insert the estimated cost or savings to the Tax Commission due to this proposed legislation.

FY 15: No additional cost or savings to the Tax Commission due to this proposed legislation.

Mar. 13, 2014
DATE

Rick Miller
DIVISION DIRECTOR

mck

3-13-14
DATE

Reece Womack
REECE WOMACK, ECONOMIST

March 14, 2014
DATE

Dan Cook
FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT - HB 2509[Engrossed] Prepared March 13, 2014

HB 2509 proposes to amend 68 O.S. §§ 2357.301-304 (Credit for Employees in Aerospace Sector and the Credit for Employers in Aerospace Sector) by extending the sunset date to January 1, 2018. Also, this measure amends the definition of a qualified employee to provide that a person who worked in the aerospace sector, but not as a full-time engineer, before receiving an undergraduate or graduate degree, or any person who has received an undergraduate or graduate degree and is employed by a professional staffing company and assigned to work in the aerospace sector in this state shall not be excluded from this definition. This measure clarifies that an aerospace employee meets the definition of a qualified employee if they begin their employment in Oklahoma on or after January 1, 2009, regardless of their hire date.

There is no additional fiscal impact due to extending the sunset date through tax year 2017. Expanding the definition of a qualified employee would result in a minimal decrease in income tax collections, which would occur in FY15 when the 2014 income tax returns are filed.