

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: January 16, 2014

BILL NUMBER: SB1226 **STATUS AND DATE OF BILL:** Introduced 1/3/14

AUTHORS: House n/a Senate Mazzei

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

PROPOSAL: Amendatory

SB 1226 proposes to amend 68 O.S. § 2370 which relates to the Credit for Financial Institutions Making Loans under the Rural Economic Development Loan Act. This measure proposes to sunset this credit effective for tax years beginning on or after January 1, 2017.

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 18: No change in state revenues is anticipated due to this proposed legislation.

ADMINISTRATIVE IMPACT:

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

FY 15: No additional costs or savings are expected as a result of this proposed legislation

Jan. 16, 2014
DATE

Rick Miller
DIVISION DIRECTOR

mck

1-21-2014
DATE

Reece Womack
REECE WOMACK, ECONOMIST

Jan 17, 2014
DATE

[Signature]
FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT - SB 1226 [Introduced] Prepared January 16, 2014

SB 1226 proposes to amend 68 O.S. § 2370 which relates to the Credit for Financial Institutions Making Loans under the Rural Economic Development Loan Act. This measure proposes to sunset this credit effective for tax years beginning on or after January 1, 2017.

Under current law, a nonrefundable bank privilege tax credit is allowed for state banking associations, national banking associations and credit unions for up to five percent (5%) of the amount of annual payroll certified by the Oklahoma Rural Economic Development Loan Program Review Board under the provisions of 62 O.S. § 90.4

62 O.S. § 90.4, which created the Oklahoma Rural Economic Development Loan Program Review Board, was repealed in the 2013 legislative session¹. As such, no change in state revenues is anticipated due to this proposed legislation.

¹ Laws 2013, SB 1011, c. 118, § 27, effective November 1, 2013