

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: February 6, 2013

BILL NUMBER: SB 341 **STATUS AND DATE OF BILL:** Introduced 1/14/13

AUTHORS: House n/a Senate Mazzei

TAX TYPE (S): Franchise Tax **SUBJECT:** Repealer

PROPOSAL: Repealer

SB 341 proposes to repeal 68 O.S. §§ 1203 and 1204, which relate to the levy of Oklahoma franchise tax on domestic and foreign corporations.

EFFECTIVE DATE: July 1, 2013 - Emergency

REVENUE IMPACT:

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

FY 14: -0-

FY 15: Projected revenue decrease of \$40.1 million.

ADMINISTRATIVE IMPACT:

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

FY 14: No additional costs or saving are anticipated.

Feb. 6, 2013
DATE

Rick Miller
DIVISION DIRECTOR

mck

2-6-2013
DATE

Reece Womack
REECE WOMACK, ECONOMIST

2/7/13
DATE

Dan Case
FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT - SB 341[Introduced] Prepared February 6, 2013

SB 341 proposes to repeal 68 O.S. §§ 1203 and 1204, which relate to the levy of Oklahoma franchise tax on domestic and foreign corporations.

Under current law, a moratorium on the levy of franchise tax was enacted for the period of July 1, 2010 through June 30, 2013; with franchise tax becoming due again for filing and payment on July 1, 2014. This measure proposes to repeal the franchise tax levy. Based on franchise tax return data it is estimated that the fiscal impact of the proposed repeal is a revenue decrease of \$40.1 million in FY15.