

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: January 29, 2016

BILL NUMBER: SB 0885 **STATUS AND DATE OF BILL:** Introduced 12/01/2015

AUTHORS: House n/a Senate Simpson

TAX TYPE (S): Sales Tax **SUBJECT:** Exemption

PROPOSAL: Amendatory

The measure proposes to amend 68 O.S. § 1356 by exempting from the sales tax levy, sales of tangible personal property or services to an 501(c)(3) organization which provides support and outreach to members and veterans of the Armed Forces to assist with successful reintegration with families and communities.

EFFECTIVE DATE: November 1, 2016

REVENUE IMPACT:

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

FY 17: Unknown decrease in state sales tax collections

FY 18: Unknown decrease in state sales tax collections

ADMINISTRATIVE IMPACT:

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

FY 17: None

Jan. 29, 2016 Rick Miller
DATE DIVISION DIRECTOR

bjs

1-29-16 Reece Womack
DATE REECE WOMACK, ECONOMIST

1/29/16 Dan Cook
DATE FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT-SB 0885-[Introduced]-Prepared January 28, 2016.

The measure proposes to amend 68 O.S. § 1356 by exempting from the sales tax levy, sales of tangible personal property or services to an 501(c)(3) organization which provides support and outreach to members and veterans of the Armed Forces to assist with successful reintegration with families and communities.

While one entity has been specifically identified to fall within the stated language of the proposed sales tax exemption it is likely that the broad eligibility parameters of the current proposal will serve to exempt multiple organizations conducting similar veteran support activities which could result in a significant decrease in state sales tax collections. In order to provide a comprehensive estimated revenue impact, the identification process of potentially qualifying entities is ongoing.