

SB 892, Fiscal Impact Statement

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Subject: RE: FW Bill Draft for Approval! 3160-Fiscal Impact Cals-I

To calculate the fiscal impact for this bill, we took the most recent home office credit data that we have (calendar year 2014 = \$20,057,870) and then calculated the difference between that number and the caps that are now included in the bill, as follows:

- a. Fifteen Million Dollars (\$15,000,000.00) for claims against calendar year 2016 tax liability, (20,057,870 less 15,000,000 = 5,057,870 Additional dollars to Gen Rev)
- b. Seventeen Million Dollars (\$17,000,000.00) for claims against calendar year 2017 tax liability, (20,057,870 less 17,000,000 = 3,057,870 Additional dollars to Gen Rev)
- c. Nineteen Million Dollars (\$19,000,000.00) for claims against calendar year 2018 tax liability, (20,057,870 less 19,000,000 = 1,057,870 Additional dollars to Gen Rev)
- d. Twenty-one Million Dollars (\$21,000,000.00) for claims against calendar year 2019 tax liability, (unable to calculate the impact because this cap exceeds the most recent home office credits taken)
- e. Twenty-three Million Dollars (\$23,000,000.00) for claims against calendar year 2020 tax liability, (unable to calculate the impact because this cap exceeds the most recent home office credits taken)
- f. Twenty-five Million Dollars (\$25,000,000.00) for claims against calendar year 2021 tax liability and for all future calendar years, (unable to calculate the impact because this cap exceeds the most recent home office credits taken)

Please note that premium taxes are not finalized until June following the tax year; for example, calendar year 2015 premium taxes will be finalized by the Insurance Department in June 2016.

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