

BILL SUMMARY
2nd Session of the 54th Legislature

Bill No.:	HB 2954
Version:	SUBPCS1
Request Number:	10072
Author:	Rep. Cockroft
Date:	2/17/2014
Impact:	Tax Commission:
	FY-15 General Revenue Fund Decrease
	Of \$15.1 Million

Increase to the Conversions Cost Revolving Fund

**Subsequent Years Dependent on Revenue from
Natural Gas**

Research Analysis

Not required.

Prepared By: Marcia Goff

Fiscal Analysis

HB 2954 (Gas)

Estimated Gross GP Tax @ 1%	\$15,516,267
Estimated Gross GP Tax @ 4%	\$9,548,472
Estimated Gross GP Tax @ 7%	\$292,421,955
Estimated Rebates	\$131,207,000
Estimated Net Revenue	\$186,279,694

Current Law

FY 14 Apportionment

	<u>Total</u>	<u>Proposed FY 15 Apportionment*</u>	<u>Total</u>	<u>Impact</u>
General Revenue Fund	\$126,618,454	General Revenue Fund	\$111,519,932	(\$15,098,522)
School Districts	\$29,830,620	School Districts	\$29,830,620	no change
Counties for Highways	\$29,830,620	Counties for Highways	\$29,830,620	no change
		County Fleet Compressed Natural Gas Conversion Cost Rev. Fund	\$15,098,521	\$15,098,521
TOTAL GAS APPORTIONMENT	\$186,279,694	TOTAL GAS APPORTIONMENT	\$186,279,693	

Estimated revenue numbers based on the Oklahoma Tax Commission Revenue Forecasts for FY 2015, December 12, 2013.

*HB 2954 proposes to change the apportionment of Gross Production revenue from natural gas collections, which are being apportioned to the General Revenue (GR) fund. For gross production taxed at the 7% rate, the GR apportionment percentage would decrease from 85.72% to 80.72%. For gross production taxed at the 4% rate, the GR apportionment percentage would decrease from 75% to 70%. A new fund, the County Fleet Compressed Natural Gas Conversion Cost Revenue Fund, would receive 5% of the total apportionment from both the 7% and 4% tax rates.

Prepared By: Mark Tygret

Other Considerations

None.

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