

# OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: March 19, 2013

BILL NUMBER: HB 2032 STATUS AND DATE OF BILL: Engrossed 3/12/13

AUTHORS: House Shannon Senate Bingman

TAX TYPE (S): Income Tax SUBJECT: Tax Rate

PROPOSAL: Amendatory

HB 2032 proposes to reduce the top marginal individual income tax rate from 5.25% to 5.0% effective for tax year 2014 and subsequent tax years.

EFFECTIVE DATE: January 1, 2014

### REVENUE IMPACT:

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

FY 14: Projected revenue decrease of \$50,363,000

FY 15: Projected revenue decrease of \$129,980,000.

### ADMINISTRATIVE IMPACT:

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

FY 14: No additional cost or savings are anticipated.

Mar. 19, 2013  
DATE

Rick Miller  
DIVISION DIRECTOR

mck

\_\_\_\_\_  
DATE  
3/20/13  
DATE

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REECE WOMACK, ECONOMIST  
Dan Cas  
FOR THE COMMISSION

**ATTACHMENT TO FISCAL IMPACT - HB 2032 [Engrossed] Prepared March 19, 2013**

HB 2032 proposes to reduce the top marginal individual income tax rate from 5.25% to 5.0% effective for tax year 2014 and subsequent tax years.

FY EFFECT INCOME TAX - TOP RATE CHANGE 5% FOR ALL YEARS			
	Fiscal Impact		
Tax year 2014	\$(125,907,000)		
Tax year 2015	\$(136,089,000)		
FY CONVERSION		FY14	FY15
Tax Year 2014	\$(125,907,000)	\$(50,363,000)	\$(75,544,000)
Tax Year 2015	\$(136,089,000)		\$(54,436,000)
	FY TOTAL	\$(50,363,000)	\$(129,980,000)
Source: Oklahoma Individual Income Tax Microsimulation Model.			