

Revenue impact for Senate Floor Substitute for HB 2032:

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By FY:

FY14 +\$28.4 Million

FY15 +\$51.5 Million

FY16 +\$3.1 Million

FY17 -\$44.4 Million

For this request, I have set Oklahoma taxable income equal to Federal AGI minus US government interest and minus US Railroad Retirement Board benefits. I am counting on you to verify that this agrees with the actual language in the bill.

Against this base, I have applied a flat 2.95% tax. That rate is approximately revenue-neutral over the course of the four years, resulting in an increase in revenue in 2014 and 2015, and a decrease in revenues in the years 2016 and 2017.

Other than the subtraction of US interest and railroad retirement income, there are no exemptions, deductions, or credits allowed.

The estimated impact is shown below by tax year:

2014	71,101,000
2015	22,097,000
2016	-25,375,000
2017	-72,858,000