

1 STATE OF OKLAHOMA

2 2nd Session of the 56th Legislature (2018)

3 HOUSE BILL 2991

By: McEntire

6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending  
8 Section 1, Chapter 197, O.S.L. 2017 (68 O.S. Supp.  
9 2017, Section 291), which relates to certain  
10 reporting requirements by the Oklahoma Tax  
11 Commission; requiring Tax Commission to report to  
12 Legislature with respect to certain revenue sources;  
13 specifying required content of reports; and providing  
14 an effective date.

13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY Section 1, Chapter 197, O.S.L.  
15 2017 (68 O.S. Supp. 2017, Section 291), is amended to read as  
16 follows:

17 Section 291. A. The Oklahoma Tax Commission shall report to  
18 the Legislature by March 1 of each odd-numbered year on the overall  
19 incidence of the income tax and sales and other excise taxes. The  
20 report shall present information on the distribution of the tax  
21 burden as follows: (1) for the overall income distribution, using a  
22 systemwide incidence measure, such as the Suits index or other  
23 appropriate measures of equality and inequality; (2) by income  
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1 classes, including at a minimum, deciles of the income distribution;  
2 and (3) by other appropriate taxpayer characteristics.

3 B. At the request of the Chair of the Finance Subcommittee of  
4 the House Appropriations and Budget Committee or the Senate Finance  
5 Committee, the Oklahoma Tax Commission shall prepare an incidence  
6 impact analysis of a bill or a proposal to change the tax system  
7 which increases, decreases, or redistributes taxes by more than  
8 Twenty Million Dollars (\$20,000,000.00). To the extent data is  
9 available on the changes in the distribution of the tax burden that  
10 are affected by the bill or proposal, the analysis shall report on  
11 the incidence effects that would result if the bill were enacted.  
12 The report may present information using systemwide measures, such  
13 as the Suits or other similar indexes, by income classes, taxpayer  
14 characteristics or other relevant categories. The report may  
15 include analyses of the effect of the bill or proposal on  
16 representative taxpayers. The analysis must include a statement of  
17 the incidence assumptions that were used in computing the burdens.

18 ~~B.~~ C. The incidence analyses shall use the broadest measure of  
19 economic income for which reliable data is available.

20 SECTION 2. This act shall become effective November 1, 2018.  
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