

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	HB 2209
Version:	Introduced
Request Number:	5802
Author:	Representative McEntire
Date:	2/10/2017
Impact:	OTC: FY-18 and FY-19: \$0

Research Analysis

HB2209, as introduced, tasks the Oklahoma Tax Commission with the creation and submission of a report on the collection of income, sales and excise tax by certain taxpayer characteristics. The measure also require the commission to prepare an incidence impact analysis on any bill or proposal to change the tax system which increases, decreases or redistributes taxes by more than \$20 million.

Prepared By: Quyen Do

Fiscal Analysis

From the Oklahoma Tax Commission:

HB 2209 proposes a new section of law requiring analysis of incidence of certain taxes and requiring analysis of certain legislative measures by the Tax Commission.

Under this proposal the Tax Commission shall report to the legislature by March 1 of each odd-numbered year on the overall incidence of income tax, sales tax and other excise taxes. The report shall present information on the distribution of the tax burden as follows:

- (1) For the overall income distribution, using a system-wide incidence measure, such as the Suits index or other appropriate measures of equality and inequality;
- (2) by income classes, including at a minimum, deciles of the income distribution; and
- (3) by other appropriate taxpayer characteristics.

In addition, at the request of the Chair of the Finance Subcommittee of the House Appropriations and Budget Committee or the Senate Finance Committee, the Tax Commission shall prepare an incidence impact analysis of a bill or a proposal to change the tax system which increases, decreases, or redistributes taxes by more than Twenty Million Dollars (\$20,000,000.00).

The Tax Commission is in the process of contacting revenue agencies from other states that presently are providing a similar tax incidence report for their respective state legislatures to determine the prospective costs and duties related to the proposals set forth in HB 2209.

Prepared By: Nicole McPhetridge

Other Considerations

None.

