

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	HB 2369
Version:	FULLPCS1
Request Number:	7740
Author:	Rep. Leslie Osborn
Date:	5/1/2017
Impact:	Tax Commission:
	No Net Revenue Change in FY-18
	Potential Revenue Changes in Subsequent Fiscal

Years

Research Analysis

HB2369 requires any taxpayer engaged in a unitary business with other corporations to file a combined report with the Oklahoma Tax Commission that shows the income and apportionment factors of all corporations that are members of the unitary business. With combined reporting, the business income of a unitary group is combined, intercompany transactions are eliminated and the combined business income is apportioned among the states, where business is conducted, based on group-level apportionment percentages.

Prepared By: Quyen Do

Fiscal Analysis

The measure modifies the methods by which corporations report income for the purposes of the Oklahoma corporate income tax. Unitary businesses with one or more other corporations will file combined reports which includes income from all corporations that are part of the unitary business.

The Tax Commission indicates the provisions will not result in a net revenue change for FY-18 and that in subsequent years the potential changes may result in net positive revenue which cannot currently be reliably estimated.

Prepared By: Mark Tygret

Other Considerations

None.