

BILL SUMMARY
2nd Session of the 56th Legislature

Bill No.:	HB 2991
Version:	INT
Request Number:	8278
Author:	Rep. McEntire
Date:	2/14/2018
Impact:	Tax Commission:
	\$0
Administrative Cost to Be Determined	

Research Analysis

HB2991, as introduced, requires the Oklahoma Tax Commission to submit a biennial report to the Legislature on the overall incidence of the income tax and sales and other excise taxes.

Prepared By: Quyen Do

Fiscal Analysis

From the Tax Commission:

Under current law, 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). To the extent data is available on the changes in the distribution of the tax burden that are affected by the bill or proposal, the analysis shall report on the incidence effects that would result if the bill were enacted.

Additionally, 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 distributions; and
- (3) by other appropriate taxpayer characteristics.

The Tax Commission is in the process to determine the prospective administrative costs and duties related to this proposal.

Prepared By: Mark Tygret

Other Considerations

None.

