

**BILL SUMMARY**  
1<sup>st</sup> Session of the 56<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 189</b>
<b>Version:</b>	<b>ENGR</b>
<b>Request Number:</b>	<b>NA</b>
<b>Author:</b>	<b>Rep. Griffith</b>
<b>Date:</b>	<b>4/10/2017</b>
<b>Impact:</b>	<b>Tax Commission:</b>
	<b>Minimal Decrease in Revenue</b>

**Research Analysis**

Engrossed SB189 establishes a sales tax exemption for goods and services purchased by any 501c3 organization that operates as a collaborative model connecting community agencies to serve individuals and families affected by violence at no cost to the victim.

Prepared By: Quyen Do

**Fiscal Analysis**

From the Tax Commission:

The measure proposes to amend 68 O. S. § 1357 by exempting from the sales tax levy, sales of tangible personal property or services to an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and operates as a collaborative model which connects community agencies in one location to serve individuals and families affected by violence and where victims have access to services and advocacy at no cost to the victim.

There is one known organization which could qualify for the proposed sales tax exemption. Information received from the entity indicates a FY 16 expenditure amount for tangible personal property of \$11,652. Applying the state sales tax rate of 4.5% yields a decrease in state sales tax collections of \$524.

With a proposed November 1, 2017 effective date and 2.2% inflation rate adjustments<sup>1</sup> the combined decrease in state tax collections for FY 18 is \$319<sup>2</sup> and \$559 for FY 19.

Prepared By: Mark Tygret

**Other Considerations**

<sup>1</sup> Based on latest version of the Consumer Price Index-All Urban Consumers

<sup>2</sup> Includes seven and one half months of sales tax expenditures and collections.