OKLAHOMA TAX COMMISSION

FISCAL IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT
SECOND REGULAR SESSION, FIFTY-SIXTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: March 27, 2018

BILL NUMBER: HB 2896 **STATUS AND DATE OF BILL:** Engrossed Bill 3/14/18

AUTHORS: House Montgomery Senate Thompson

TAX TYPE (S): Income Tax[1] **SUBJECT:** Credit

PROPOSAL: Amendatory

HB 2896 proposes to amend 68 O.S. § 2370.1 which relates to the *Small Business Guaranty Fee Credit* by extending the sunset date from December 31, 2018 to December 31, 2021.

Under current law financial institutions subject to the "bank-in-lieu" tax may claim as a credit against tax the amount of the guaranty fees the financial institution pays to the U.S. Small Business Administration (SBA) under certain SBA loan programs.

The extension of time to claim this credit will have no additional impact on tax collections[2].

EFFECTIVE DATE: November 1, 2018

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 19: None
FY 20: None

ADMINISTRATIVE IMPACT:

Insert the estimated cost or savings to the Tax Commission due to this proposed legislation.

FY 19: None

Mar. 29, 2018 — Rick Miller — mck
DATE — DIVISION DIRECTOR

3-29-2018 — Huan Gong for
DATE — REECE WOMACK, ECONOMIST

3-29-18 — Tony Mast
DATE — FOR THE COMMISSION

[1] The Small Business Guaranty Fee Credit may only be claimed against the "bank-in-lieu" tax under 68 O.S. § 2370 which operates as a corporate income tax on financial institutions.
[2] For tax year 2015 $1.3 million of *Small Business Guaranty Fee Credits* were used to offset Oklahoma tax.