

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: February 16, 2018

BILL NUMBER: SB 1239 **STATUS AND DATE OF BILL:** Introduced 1/18/18

AUTHORS: House n/a Senate Dahm

TAX TYPE (S): Income Tax **SUBJECT:** Apportionment

PROPOSAL: Amendatory

SB 1239 proposes to amend 68 O.S. § 500.6 and 69 O.S. § 1521 as they relate to the apportionment of tax revenue to the Oklahoma Tourism and Passenger Rail Revolving Fund.

EFFECTIVE DATE: July 1, 2018 - Emergency

REVENUE IMPACT:

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

FY 19: -0- (See Attached Analysis)

ADMINISTRATIVE IMPACT:

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

FY 19: None

Feb. 17, 2018
DATE

Rick Miller
DIVISION DIRECTOR

mck

2-17-18
DATE

Reece Womack
REECE WOMACK, ECONOMIST

2-17-18
DATE

Jim Miller
FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT - SB 1239 [Introduced] Prepared February 16, 2018

SB 1239 proposes to amend 68 O.S. § 500.6 and 69 O.S. § 1521 as they relate to the apportionment of tax revenue to the Oklahoma Tourism and Passenger Rail Revolving Fund.

Under current law [68 O.S. § 500.6(A)(3)(b)] \$850,000 of tax collections under the gasoline tax, compressed natural gas tax, liquefied natural gas tax¹ and any associated penalties and interest thereon are apportioned to the Oklahoma Tourism and Passenger Rail Revolving Fund. Further under 69 O.S. § 1521(B)(2), \$2,000,000 of individual income tax collections² are apportioned to the Oklahoma Tourism and Passenger Rail Revolving Fund.

This measure proposes to end the apportionment from these two revenue sources to the Oklahoma Tourism and Passenger Rail Revolving Fund effective for FY19. The Oklahoma Tourism and Passenger Rail Revolving Fund will have \$2,850,000 less revenue for FY19. This measure results in no additional tax collections. The \$850,000 not apportioned under 68 O.S. § 500.6(A)(3)(b) will be apportioned to the State Transportation Fund. The \$2,000,000 of individual income tax collections will be apportioned as follows:

General Revenue Fund	\$1,713,200
Education Reform Revolving Fund	\$166,800
Teacher Retirement System	\$100,000
Ad Valorem Reimbursement Fund	\$20,000

¹ The combined tax revenue apportioned from these three sources of revenue was in excess of \$300 million in FY17. *Annual Report of the Oklahoma Tax Commission for Fiscal Year June 30, 2017.*

² Individual income tax collections for FY17 were in excess of \$3.5 billion. *Annual Report of the Oklahoma Tax Commission for Fiscal Year June 30, 2017.*