

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: January 30, 2018

BILL NUMBER: SB 1421 **STATUS AND DATE OF BILL:** Introduced 01/18/2018

AUTHORS: House n/a Senate Schulz

TAX TYPE (S): Tobacco Products Tax **SUBJECT:** Apportionment

PROPOSAL: Amendatory

The measure proposes for fiscal years beginning FY 19 to cap the amount of Tobacco Products Tax revenues¹ apportioned to the Department of Mental Health and Substance Abuse Services Revolving Fund at the three-year average of the revenues apportionments in fiscal years 2015, 2016 and 2017. Revenues in excess of the established cap shall be deposited to the General Revenue Fund.

EFFECTIVE DATE: Emergency - July 1, 2018

REVENUE IMPACT:

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

FY 19: \$253,000 estimated decrease in tobacco products tax revenues apportioned to the Mental Health and Substance Abuse Services Revolving Fund with a like estimated increase in apportionment to the General Revenue Fund.

ADMINISTRATIVE IMPACT:

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

FY 19: None

Jan. 30, 2018
DATE

Rick Miller
DIVISION DIRECTOR

msm

1-30-18
DATE

Reece Womack
REECE WOMACK, ECONOMIST

1-30-18
DATE

Jimmy McInt
FOR THE COMMISSION

¹ Applies to tax revenues from both tribal and nontribal sales of tobacco products.

ATTACHMENT TO FISCAL IMPACT–SB 1421–[Introduced]–Prepared January 30, 2018

The measure proposes for fiscal years beginning FY 19 to cap the amount of tobacco products tax revenues² apportioned to the Department of Mental Health and Substance Abuse Services Revolving Fund at the three-year average of the revenues apportionments in fiscal years 2015, 2016 and 2017. Revenues in excess of the established cap shall be deposited to the General Revenue Fund.

Outlined below is the three year average of the amounts apportioned to the Fund for fiscal years 2015, 2016 and 2017. When compared to the amounts projected to be apportioned to the Fund in FY 19, excess funds of \$252,819 are estimated for deposit to the General Revenue Fund.

Tobacco Products Tax						
Mental Health & Substance Abuse Services Revolving Fund	FY 15	FY 16	FY 17	3 Year Average	FY 19 Forecast ³	Excess to GRF
	\$704,936	\$764,301	\$799,391	\$756,209	\$904,445	\$148,236
Tobacco Products Tax (Tribal)						
Mental Health & Substance Abuse Services Revolving Fund	\$193,751	\$191,850	\$217,945	\$201,182	\$305,763	\$104,583
Total						\$252,819

² Applies to tax revenues from both tribal and nontribal sales of tobacco products.

³ Oklahoma Tax Commission – Revenue Forecast for FY 19 issued December 14, 2017