

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 1422 **STATUS AND DATE OF BILL:** Introduced 01/18/2018

AUTHORS: House n/a Senate Schulz

TAX TYPE (S): Motor Fuel **SUBJECT:** Apportionment

PROPOSAL: Amendatory

The measure proposes for fiscal years beginning FY 19 to cap the amount of gasoline¹ and diesel tax revenues apportioned to the High Priority State Bridge Revolving Fund at the three-year average of the revenues apportioned 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: \$140,000 decrease in diesel tax revenues apportioned to the High Priority State Bridge Revolving Fund with a like increase of \$140,000 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. 31, 2018
DATE

Rich Miller
DIVISION DIRECTOR

msm

1-31-18
DATE

Reece Womack
REECE WOMACK, ECONOMIST

2-1-18
DATE

Jonny White
FOR THE COMMISSION

¹ Includes CNG and LNG tax revenues.

ATTACHMENT TO FISCAL IMPACT–SB 1422–[Introduced]–Prepared January 30, 2018

The measure proposes for fiscal years beginning FY 19 to cap the amount of gasoline² and diesel tax revenues apportioned to the High Priority State Bridge Revolving Fund at the three-year average of the revenues apportioned 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 gasoline, CNG and LNG tax revenue 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, no excess funds are estimated for deposit to the General Revenue Fund.

| Motor Fuel (Gasoline, CNG & LNG) | FY 15 | FY 16 | FY 17 | 3 Year Average | FY 19 Forecast ³ | Excess to GRF |
|--|-------------|-------------|-------------|-------------------|--------------------------------|------------------|
| High Priority State Bridge Revolving Fund | \$4,691,032 | \$5,049,813 | \$4,684,779 | \$4,808,541 | \$4,680,101 | \$0 |

The three year average of the diesel tax amounts apportioned to the Fund for fiscal years 2015, 2016 and 2017 is compared to the amounts apportioned to the Fund in FY 17. Assuming similar collections in FY 19 to those realized in FY 17, excess funds of \$140,217 are estimated for deposit to the General Revenue Fund.

| Motor Fuel (Diesel) | FY 15 | FY 16 | FY 17 | 3 Year Average | Excess to GRF |
|---|-------------|-------------|-------------|-------------------|---------------|
| High Priority State Bridge Revolving Fund | \$1,534,280 | \$1,343,282 | \$1,649,107 | \$1,508,890 | \$140,217 |

² Includes CNG and LNG tax revenues.

³ Based on the Oklahoma Tax Commission – Revenue Forecast for FY 19 issued December 14, 2017.