OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: May 10, 2018

BILL NUMBER: SB 923 **STATUS AND DATE OF BILL:** Enrolled Bill 4/26/18

AUTHORS: House Osborn (Leslie) Senate Thompson

TAX TYPE (S): Quality Jobs **SUBJECT:** Other

PROPOSAL: Amendatory

SB 923 proposes to amend 68 O.S. § 3904 relating to the *Small Employer Quality Jobs Incentive Act* by amending the initial employment threshold as well as modifying the minimum new employment levels.

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: -0-
FY 20: -0-

ADMINISTRATIVE IMPACT:

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

FY 19: None

May 10, 2018 — Rick Miller — mck
DATE — DIVISION DIRECTOR

5-10-18 — Reece Womack
DATE — REECE WOMACK, ECONOMIST

5-10-18 — [signature]
DATE — FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT – SB 923 [Enrolled] Prepared May 10, 2018

SB 923 proposes to amend 68 O.S. § 3904 relating to the *Small Employer Quality Jobs Incentive Act* by amending the initial employment threshold as well as modifying the minimum new employment levels.

Under current law, a company may have no more than ninety (90) full-time employees at the time of application to the Department of Commerce for the Small Employer Quality Jobs Incentive. This measure increases that threshold to five hundred (500) full-time employees. This measure further modifies the various minimum new employment level requirements based on the population of the municipality[1] where the establishment applying for the Small Employer Quality Jobs Incentive is located. The table below shows the current and proposed minimum employment level based on the population of the municipality.

Population	Current Minimum Employment	Proposed Minimum Employment
Under 3,500	5 new direct jobs	The greater of 5 jobs or 5% of company's full-time employment at the time of the application
3,500 to 7,000	10 new direct jobs	The greater of 10 jobs or 7.5% of company's full-time employment at the time of the application
7,000 or more	15 new direct jobs	The greater of 15 jobs or 10% of company's full-time employment at the time of the application

No changes in revenue are anticipated as a result of this proposal due to the revenue neutral features of the *Small Employer Quality Jobs Incentive Act*.

[1]If the establishment is located in an unincorporated area the establishment will qualify based on the largest municipality within twenty (20) miles of the establishment.