

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: February 1, 2018

BILL NUMBER: SB 977 **STATUS AND DATE OF BILL:** Introduced 1/10/2018

AUTHORS: House n/a Senate Sharp

TAX TYPE (S): Withholding **SUBJECT:** Apportionment

PROPOSAL: Amendatory

SB 977 proposes to amend 62 O.S. Section 891.12 of the Oklahoma Community Economic Development Pooled Finance Act. This measure would allow a for-profit business to participate in this program and Quality Jobs, or claim Investment Tax Credits if the business entity makes a capital investment of no less than \$500 million and creates 2,500 new direct jobs.

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

Feb. 7, 2018
DATE

Rick Miller
DIVISION DIRECTOR

lrh

2-7-18
DATE

Reece Womack
REECE WOMACK, ECONOMIST

2-7-18
DATE

Jay Muth
FOR THE COMMISSION

Attachment to Fiscal Impact for SB 977 [Introduced] – Prepared 2/1/18

SB 977 proposes to amend 62 O.S. Section 891.12 of the Oklahoma Community Economic Development Pooled Finance Act. This measure would allow a for-profit business to participate in this program and Quality Jobs, or claim Investment Tax Credits if the business entity makes a capital investment of no less than \$500 million and creates 2,500 new direct jobs.

Under current law, businesses that benefit from proceeds of obligations issued by the Authority from the Economic Development Pool can neither participate in the Quality Jobs Program nor can they claim Investment Tax Credits.

This measure would allow a for-profit business to participate in this program *and* Quality Jobs or claim Investment Tax Credits if the business entity meets the following requirements:

1. Makes a capital investment of no less than Five Hundred Million Dollars (\$500,000,000.00); and
2. Creates two thousand five hundred (2,500) new direct jobs.

No changes in revenue are anticipated as a result of this proposal due to the revenue neutral features of the Oklahoma Community Economic Development Pooled Finance Act.