

BILL SUMMARY
1st Session of the 57th Legislature

Bill No.:	HB 2294
Version:	CS
Request Number:	8354
Author:	Rep. Wright
Date:	3/7/2019
Impact:	Tax Commission:
	Preliminary Analysis
	Estimated Revenue Decrease
	\$32,798,000

Research Analysis

The committee substitute for HB2294 allows any seller or vendor remitting sales tax to the Oklahoma Tax Commission to keep 3 percent of the tax remitted, up to \$2500 per month per sales tax permit, as compensation for keeping sales tax records and for filing and remitting the tax when due. Sellers or vendors with a direct payment permit are excluded from taking the proposed deduction as well are those that are delinquent in reporting and remitting the tax.

Prepared By: Quyen Do

Fiscal Analysis

Preliminary analysis as provided by the Tax Commission:

This is in regard to your request for a revenue impact for the Proposed Committee Substitute for HB 2294 which for the purpose of compensating vendors for record maintenance and the timely remittance of sales tax allows vendors to retain three percent¹ of the monthly sales tax due. The 3% vendor discount/remuneration is to be in effect until July 1, 2020. There is no corresponding remuneration/discount allowed use tax vendors under this proposal.

Based on Oklahoma Tax Commission sales tax remittance records for FY 18, allowing a vendor discount in the manner prescribed will result in an estimated decrease of \$32,798,000 in state sales tax collections for FY 20.

Prepared By: Mark Tygret

Other Considerations

None.