

BILL SUMMARY
1st Session of the 57th Legislature

Bill No.:	SB 538
Version:	ENGR
Request Number:	NA
Author:	Rep. Newton
Date:	3/29/2019
Impact:	Tax Commission:
	FY-20
Gain to Tourism Promotion Fund: \$1.0 Million	
Gain to Tourism Capital Fund: \$1.0 Million	
Loss to General Revenue Fund: \$2.0 Million	

Research Analysis

Engrossed SB538 increases the maximum apportionment of sales tax revenue for the Oklahoma Tourism Promotion Revolving Fund to \$6 million and \$10 million for the Oklahoma Tourism Capital Improvement Revolving Fund. Currently, these off the top apportionments are limited to \$5 million and \$9 million, respectively.

Prepared By: Quyen Do

Fiscal Analysis

Analysis provided by the Tax Commission:

SB 538 proposes amendment to 68 § 1353 by providing for the modification of the apportionment of sales tax collections. Currently, of the revenues derived pursuant to the provisions of the Oklahoma Sales Tax Code eighty-seven one-hundredths percent (0.87%) is apportioned to two funds. These two funds are the Oklahoma Tourism Promotion Revolving Fund and the Oklahoma Tourism Capital Improvement Revolving Fund and they receive thirty-six percent (36%) and sixty-four percent (64%), respectively, of the eighty-seven one-hundredths percent (0.87%). However, these two funds are subject to a five million dollar (\$5,000,000) cap and a nine million dollar (\$9,000,000) cap, respectively. Any amounts that exceed these caps are credited to the General Revenue Fund. SB 538 proposes to modify the apportionment of these funds so that both caps are increased by one million dollars (\$1,000,000) each. This would increase the cap on the Oklahoma Tourism Promotion Revolving Fund to six million dollars (\$6,000,000) and increase to the cap on the Oklahoma Tourism Capital Improvement Revolving Fund to ten million dollars (\$10,000,000).

Net Revenue Impact
FY 20:

\$2,000,000 decrease to the General Revenue Fund
\$1,000,000 increase to the Oklahoma Tourism Promotion Revolving Fund
\$1,000,000 increase to the Oklahoma Tourism Capital Improvement Revolving Fund

There is no net revenue impact on collections as a result of this measure.

Prepared By: Mark Tygret

Other Considerations

None.

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