

**BILL SUMMARY**  
1<sup>st</sup> Session of the 57<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 8</b>
<b>Version:</b>	<b>ENGR</b>
<b>Request Number:</b>	<b>NA</b>
<b>Author:</b>	<b>Rep. Sean Roberts</b>
<b>Date:</b>	<b>3/29/2019</b>
<b>Impact:</b>	<b>Tax Commission:</b>
	<b>Revenue Decrease of \$288,000</b>

**Research Analysis**

Engrossed SB8 exempts sales of tangible personal property or services to the American Legion and its charter organizations.

Prepared By: Quyen Do

**Fiscal Analysis**

Prior analysis provided by the Tax Commission:

The measure proposes to amend 68 O. S. § 1356 by exempting from the sales tax levy, sales of tangible personal property or services to the American Legion, whether the purchase is made by the entity chartered by the United States Congress or is an entity organized under the laws of Oklahoma or another state pursuant to the authority of the national American Legion organization.

In Oklahoma, the American Legion has a state department with 180 posts and an auxiliary with 143 units. Information obtained from the Organization indicates total average expenditures for the combined components in the estimated amount of \$6,101,663 for FY 18. Applying the state sales tax rate of 4.5% yields a decrease in state sales tax collections of \$274,575.

Application of inflation rate adjustments of 2.5%<sup>1</sup> results in an estimated decrease in state sales tax collections of \$288,475 for FY 20.

<sup>1</sup> Based on latest version of the Consumer Price Index-All Urban Consumers

Prepared By: Mark Tygret

**Other Considerations**

None.