

Bill Summary
1st Session of the 57th Legislature

Bill No.:	SB 893
Version:	INT
Request No.:	1260
Author:	Sen. Scott
Date:	01/31/2019

Bill Analysis

SB 893 reinstates the income tax exemption for a taxpayer who contracts with a child-placing agency. The taxpayer must have been under contract and providing care for at least six months or claim a pro rata exemption based on the difference.

Prepared by: Kalen Taylor

OKLAHOMA TAX COMMISSION

**REVENUE IMPACT STATEMENT
FIRST REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE**

DATE OF IMPACT STATEMENT: February 9, 2019

BILL NUMBER: SB 893 **STATUS AND DATE OF BILL:** Introduced 1/17/19

AUTHORS: House n/a Senate Scott

TAX TYPE (S): Income Tax **SUBJECT:** Deduction

PROPOSAL: Amendatory

SB 893 proposes to amend 68 O.S. § 2358.5-1, by reinstating the income tax deduction for expenses incurred to provide care for a foster child, effective for tax year 2019¹. The proposal reinstates the \$5,000.00 income tax deduction for taxpayers filing a joint return and \$2,500.00 for taxpayers filing as married filing separate, for expenses incurred to provide care for a foster child.

EFFECTIVE DATE: November 1, 2019

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 20: Projected decrease of \$237,000.00 in income tax revenue.

Feb. 9, 2019
DATE

Rick Miller
DIVISION DIRECTOR

mck

2-9-2019
DATE

Huan Gong
HUAN GONG, ECONOMIST

2-9-19
DATE

[Signature]
FOR THE COMMISSION

The estimated revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.

¹ The income tax deduction for expenses incurred to provide care for a foster child was sunsetted effective for tax years beginning on or after January 1, 2018 as a result of the enactment of SB 1621 during the 2014 legislative session.