

Fiscal Impact
1st Session of the 57th Legislature

Bill No.:
Version:
Author:
Date:

HB 3059
ENGR
Sen. Jech
03/21/2019

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: 3/18/2019

BILL NUMBER: SB 539 STATUS AND DATE OF BILL: Engrossed Bill 2/28/2019

AUTHORS: House Newton Senate Jech

TAX TYPE (S): Gross Production SUBJECT: Apportionment

PROPOSAL: Amendatory

SB 539 proposes to amend 68 § 1004 providing for an extension of the sunset date for apportionment of oil revenues collected at five percent (5%) and seven percent (7%) rates to three funds.

EFFECTIVE DATE: Emergency- July 1, 2019

REVENUE IMPACT:

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

FY 20: \$8,860,000 decrease to the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund
\$2,953,000 increase to the Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund
\$2,953,000 increase to the Oklahoma Conservation Commission Infrastructure Revolving Fund
\$2,953,000 increase to the Community Water Infrastructure Development Revolving Fund

Mar. 19, 2019
DATE

Rick Miller
DIVISION DIRECTOR kl

3-19-2019
DATE

Huan Gong
HUAN GONG, ECONOMIST

3-20-19
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.

Attachment to Revenue Impact SB 539 [Engrossed] March 18, 2019

SB 539 proposes to amend 68 § 1004 providing for an extension of the sunset date for apportionment of oil revenues collected at the five percent (5%) and seven percent (7%) rates to three funds.

Currently, five percent (5%) and four and twenty-eight one-hundredths percent (4.28%) of monies collected on oil at the five percent (5%) and seven percent (7%) rates, respectively, are paid to the State Treasurer. These monies are apportioned thirty-three and one-third percent (33 1/3%) to the following three funds until June 30, 2019: (1) the Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund, (2) the Oklahoma Conservation Commission Infrastructure Revolving Fund and (3) the Community Water Infrastructure Development Revolving Fund. After June 30, 2019, the monies previously apportioned to these three funds will be apportioned to the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund. SB 539 proposes to extend the sunset date for apportionment to these three funds from June 30, 2019, until June 30, 2022. Therefore, the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund would not receive these monies until July 1, 2022, instead of beginning July 1, 2019.

**Net Revenue Impact
FY 20:**

\$8,860,000 decrease to the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund

\$2,953,000 increase to the Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund

\$2,953,000 increase to the Oklahoma Conservation Commission Infrastructure Revolving Fund

\$2,953,000 increase to the Community Water Infrastructure Development Revolving Fund

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

Detail may not add due to rounding.