

Fiscal Impact
2nd Session of the 57th Legislature

Bill No.:
Version:
Author:
Date:

SB 1546
INT
Sen. Leewright
02/07/2020

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT
SECOND REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: February 4, 2020

BILL NUMBER: SB 1546 **STATUS AND DATE OF BILL:** Introduced 1/16/2020

AUTHORS: House n/a Senate Leewright

TAX TYPE (S): Sales & Use Tax **SUBJECT:** Other

PROPOSAL: New Law 68 O.S. §§ 1367.1.1 and 1410.1.1

For purposes of compensating vendors for record maintenance and the timely filing and remittance of sales and use tax, the measure proposes to allow vendors to retain two¹ percent of monthly sales/use taxes due.

EFFECTIVE DATE: November 1, 2020

REVENUE IMPACT:

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

FY 21: \$15,771,000 decrease in state sales tax revenues
\$2,005,000 decrease in state use tax revenues
FY 22: \$27,035,000 decrease in state sales tax revenues
\$3,436,000 decrease in state use tax revenues

Feb. 4, 2020
DATE

Rick Miller
DIVISION DIRECTOR

msm

2/4/2020
DATE

Huan Gong
HUAN GONG, ECONOMIST

2/4/2020
DATE

[Signature]
FOR THE COMMISSION

The 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 Capped at a maximum of Three Thousand Three Hundred Dollars per month per sales tax permit.

ATTACHMENT TO REVENUE IMPACT – SB 1546 – [Introduced] – Prepared 2/4/2020

For purposes of compensating vendors for record maintenance and the timely filing and remittance of sales and use tax, the measure proposes to allow vendors to retain two² percent of monthly sales/use taxes due.

Based upon Oklahoma Tax Commission sales and use tax remittance data for FY 19, allowing a vendor discount in the manner prescribed results in an estimated decrease of \$15,770,587 in state sales tax revenues in addition to an estimated decrease of \$2,004,587 in state use tax revenues for FY 21.³ A decrease in state sales tax collections of \$27,035,292 along with a decrease of \$3,436,436 in use tax revenues is estimated for FY 22.

² Capped at a maximum of Three Thousand Three Hundred Dollars per month per sales tax permit.

³ Seven months of sales tax collections are affected by this proposal in FY 21.