

BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	HB 3821
Version:	INT
Request Number:	8816
Author:	Rep. Newton
Date:	2/14/2022
Impact:	Tax Commission:

**No Change in Current Apportionment
Extension of Sunset Date**

Research Analysis

HB3821, as introduced, extends the apportionment of gross production tax revenue to the following funds until July 1, 2027 (FY 2027):

- Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund;
- Oklahoma Conservation Commission Infrastructure Revolving Fund;
- Community Water Infrastructure Development Revolving Fund; and
- Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund.

The apportionments are currently set to end July 1, 2022 (FY 2022).

Prepared By: Quyen Do

Fiscal Analysis

Analysis provided by the Tax Commission:

HB 3821 proposes to amend 68 O.S. § 1004 providing for an extension of the sunset date for apportionment of oil revenues collected at the 5% and 7% rates to three funds.

Currently, 5% and 4.28% of monies collected on oil at 5% and 7% rates, respectively, are paid to the State Treasurer. These monies are apportioned 33 1/3% to the following three funds until June 30, 2022: (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, 2022, the monies previously apportioned to these three funds will be apportioned to the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund.

HB 3821 proposes to extend the sunset date for apportionment to these three funds from June 30, 2022, until June 30, 2027. Therefore, the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund would not receive these monies until July 1, 2027, instead of beginning July 1, 2022.

There is no net revenue impact on collections of Gross Production Tax Revenue as a result of this measure.

Prepared By: Mark Tygret

Other Considerations

None.

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