

BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	HB 3854
Version:	INT
Request Number:	8914
Author:	Rep. Strom
Date:	2/14/2022
Impact:	Tax Commission:

Decrease in Sales Tax Collections
FY-23: (\$6,000)
FY-24: (\$10,000)

Research Analysis

HB3854, as introduced, exempts from the sales tax levy, sales to any 501(c)(3) avian research center that promotes conservation, education and research of endangered, rare and understudied birds.

Prepared By: Quyen Do

Fiscal Analysis

Analysis provided by the Tax Commission:

The measure proposes to amend 68 O.S. § 1356 by providing a sales tax exemption for sales of tangible personal property to an avian research center which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and which promotes conservation, education, and research of endangered, rare, and understudied birds.

There is one known organization which could qualify for the proposed sales tax exemption. Information obtained from the organization indicates that in FY 21, it expended an estimated amount of \$8,943.93 in state sales tax on purchases of tangible personal property.

The measure proposes an effective date of November 1, 2022. Application of inflation rate adjustments¹ results in an estimated decrease in state sales tax collections of \$5,567 for FY 23² and \$9,763 for FY 24.

¹ IHS Markit/US Forecast Flash, January 3, 2022 [4.2% for FY 22, 2.4% for FY 23 and 2.3% for FY 24].

² Includes seven months of sales tax collections

Prepared By: Mark Tygret

Other Considerations

None.

