

BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	SB 1670
Version:	ENGR
Request Number:	NA
Author:	Rep. Hasenbeck
Date:	4/4/2022
Impact:	Tax Commission:

Minimal Decrease in Sales Tax Revenue

Research Analysis

SB 1670 exempts from sales tax the sale of tangible personal property to the surviving spouse of a person determined by the U.S. Department of Defense or any branch of the U.S. military to have died in the line of duty if the spouse has not remarried.

Prepared By: Emily McPherson

Fiscal Analysis

Analysis provided by the Tax Commission:

The measure proposes to amend 68 O.S. § 1357(34) by expanding the sales tax exemption for surviving spouses of 100% disabled veterans to include sales to the surviving spouse of a person who is determined by the United States Department of Defense or any branch of the United States military to have died while in the line of duty if the spouse has not remarried.

Research of U.S. Veteran Affairs data and other resources have not disclosed the number of persons who could qualify for the proposed sales tax exemption. For purposes of this impact, it is assumed that 16¹ surviving spouses that were issued Killed in Action special license plates in FY 21 would be eligible for the proposed sales tax exemption. Multiplying the 16 surviving spouses by the expenditure threshold limitation of \$1,000, results in total annual sales taxable expenditures of \$16,000. Applying the state sales tax rate of 4.5% yields a decrease in state sales tax collections of \$720 for FY 23.

¹ Oklahoma Tax Commission Annual Vehicle Registration Report for FY 21.

Prepared By: Mark Tygret

Other Considerations

None.