

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 258</b>
<b>Version:</b>	<b>ENGR</b>
<b>Request Number:</b>	<b>NA</b>
<b>Author:</b>	<b>Leader Echols</b>
<b>Date:</b>	<b>4/6/2022</b>
<b>Impact:</b>	<b>Tax Commission:</b>

**Revenue Neutral:**  
**Current Average Collections**  
**Not Meeting Current Cap**

**Research Analysis**

SB 258 provides that, for the fiscal year beginning July 1, 2022 and all subsequent years, 100 percent of revenues derived from the aircraft excise tax will be placed to the credit of the Oklahoma Aeronautics Commission Revolving Fund.

Prepared By: Emily McPherson

**Fiscal Analysis**

Review provided by the Tax Commission:

Currently, the first \$4,500,000 of aircraft excise tax revenues is apportioned to the Oklahoma Aeronautics Commission Revolving Fund ("OACRF") and any surplus is apportioned to the General Revenue Fund ("GRF"). SB 258 proposes to remove language regarding apportionment of aircraft excise tax for years prior to FY 2023. Additionally, SB 258 proposes to apportion 100% of the revenues derived from aircraft excise tax to the OACRF beginning in FY 23. This change would alter the apportionment of aircraft excise tax such that it would be the same as fiscal years 2001 through 2015.

In the prior three fiscal years aircraft excise tax collections have totaled roughly \$11,915,000<sup>1</sup>, averaging \$3,972,000<sup>2</sup> per year. Under current apportionment law, the first \$4,500,000 threshold would not be met for FY 23<sup>3</sup>, thus no excess monies would be apportioned to the GRF. The proposed changes in SB 258 will only have an impact if aircraft excise tax collections exceed \$4,500,000. This measure is revenue neutral and any impact associated with aircraft excise tax collections in excess of \$4,500,000 will be revenue net neutral between the OACRF and the GRF. There is no administrative impact associated with the Proposed Committee Substitute for SB 258.

<sup>1</sup>(FY 21) 4,207,079 + (FY 20) \$3,075,053 + (FY 19) \$4,632,903 = \$ rounded to \$11,915,000

<sup>2</sup> \$11,915,000 ÷ 3 = \$3,971,667 rounded to \$3,972,000

<sup>3</sup> Based on an average of aircraft excise tax revenues received in FY 19, FY 20, & FY 21.

Prepared By: Mark Tygret

**Other Considerations**

None.



