

BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	SB 410
Version:	ENGR
Request Number:	NA
Author:	Rep. Lepak
Date:	4/12/2022
Impact:	Tax Commission:

Research Analysis

SB 410 requires claims for refunds provided pursuant to the Oklahoma Research and Development Incentives Act to be submitted to the Oklahoma Tax Commission by July 1, 2022.

Prepared By: Emily McPherson

Fiscal Analysis

Review provided by the Tax Commission:

The measure proposes to repeal, effective November 1, 2022, 68 O.S. §§ 54001 through 54005, also known as the “Oklahoma Research and Development Incentives Act” which provides a sales/use tax exemption for sales of computers, data processing equipment, related peripherals, telegraph or telecommunications services, and equipment to new and expanding businesses classified under designated industrial group numbers of the Standard Industrial Classification (“SIC”) manual and which meet other requirements set forth in the Act.

Public Financial Management Inc. as part of the review process conducted by the Incentive Evaluation Commission recommended repeal of this exemption for the reason that it is “unnecessary due to the availability of more generous and easier to use incentives.” The Incentive Evaluation Commission at its November 14, 2019 meeting voted to approve the recommendation that this exemption should be repealed.

The records of the Oklahoma Tax Commission indicate that this exemption has not been utilized in several years. Therefore, no impact to state revenues is expected to occur as a result of this proposal.

Prepared By: Mark Tygret

Other Considerations

None.