



MEMO

Tax Policy and Research Division

DATE: MAY 17, 2022
TO: RICK MILLER, DIRECTOR *RLM*
TAX POLICY & RESEARCH DIVISION
FROM: CHRISTY CAESAR
SUBJECT: PROPOSED COMMITTEE SUBSTITUTE FOR SB 1079

This is in response to your request for a revenue impact for Proposed Committee Substitute for SB 1079 which proposes amendment to Section 2902 of Title 68 of the Oklahoma Statutes by requiring that a facility engaged in manufacturing shall have the payroll requirements of paragraph 4 of subsection (C) waived for tax year 2022 which is based in part on the 2021 calendar year payroll reported to the Oklahoma Employment Security Commission, and may continue to receive the exemption for the five-year period provided in Section 2902 only if all other requirements of the section are met.

The statutory date for five year manufacturing exemption applications to be filed with the Tax Commission for tax year 2022 is June 15, 2022. Therefore, while an increase in claims against the Ad Valorem Reimbursement Fund is anticipated as a result of this measure. Due to lack of specific information, the extent of the increase is unknown.