

OKLAHOMA TAX COMMISSION

**REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT
SECOND REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE**

DATE OF IMPACT STATEMENT: 2/11/2022

BILL NUMBER: SB1818 **STATUS AND DATE OF BILL:** Introduced 1/21/2022

AUTHORS: House N/A Senate Murdock

TAX TYPE (S): Sales **SUBJECT:** Apportionment

PROPOSAL: Amendatory.

This measure amends 68 O.S. § 1353, by removing apportionment to State Public Common School Building Equalization Fund pursuant to 70 O.S. § 3-104 and providing apportionment to the Sheriff's Service Fee Account of the counties.

EFFECTIVE DATE: July 1, 2022- Emergency

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 23: No change to sales tax collections.

Feb. 14, 2022

DATE

Rick Miller

DIVISION DIRECTOR

mg

2/14/2022

DATE

Huan Gong

HUAN GONG, ECONOMIST

2/14/2022

DATE

[Signature]

FOR THE COMMISSION

The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.

ATTACHMENT TO REVENUE IMPACT SB1818 [Introduced] Prepared: 2/11/2022

SB1818 proposes to amend 68 O.S. § 1353 by removing apportionment to State Public Common School Building Equalization Fund pursuant to 70 O.S. § 3-104 and providing apportionment to the Sheriff's Service Fee Account of the counties.

Under current law, after as provided in subsection D of 68 O.S. § 1353, sales tax revenue is apportioned as follows:

- 83.36% to General Revenue Fund ("GRF").
- 10.46% to Education Reform Revolving Fund.
- 5.25% to Teachers Retirement System Dedicated Revenue Revolving Fund
- 0.87% to State Treasurer to be apportioned to:
 - Oklahoma Tourism Capital Improvement Revolving Fund at 36% not to exceed 5 million in any fiscal year.
 - Oklahoma Tourism Capital Improvement Revolving Fund at 64% not to exceed 9 million in any fiscal year.
 - Any excess amount is apportioned to GRF.
- 0.06% to Oklahoma Historical Society Capital Improvement and Operation Revolving Fund, but such apportionment may not exceed the total amount apportioned to the fund in the fiscal year ending on June 30, 2015. Any excess amount is apportioned to GRF.

From the fiscal year 2023 and each subsequent fiscal year subsection D of 68 O.S. § 1353 provides that before any other required apportionment from sales tax is made to the GRF, there shall be an apportionment to the State Public Common School Building Equalization Fund an amount, if any, as required pursuant to 70 O.S. § 3-104, not to exceed the state sales tax generated by medical marijuana ("MMJ") sales in the preceding fiscal year, as reported by the Oklahoma Tax Commission.

This measure proposes to eliminate current apportionment to the State Public Common School Building Equalization Fund as required pursuant to 70 O.S. § 3-104 and before any other apportionment is made to the GRF, there shall be monthly sales tax apportionment to the Sheriff's Service Fee Account, in an equal amount for all counties in this state, an amount equal to 32.15% of the revenue derived in the preceding month from the tax on retail MMJ sales pursuant to 63 O.S. § 426.

There is no change to sales tax collections with this measure.