

# OKLAHOMA TAX COMMISSION

## REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: January 26, 2021

BILL NUMBER: SB 454 STATUS AND DATE OF BILL: Introduced 01/19/2021

AUTHORS: House Dempsey & Roberts (Dustin) Senate n/a

TAX TYPE (S): Sales Tax SUBJECT: Exemption

PROPOSAL: Amendatory

The measure proposes to sunset, effective July 1, 2021, the 1.25% sales tax levied on the gross receipts associated with the sale of motor vehicles.

EFFECTIVE DATE: Emergency July 1, 2021

### REVENUE IMPACT:

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

FY 22: \$148,000,000 decrease in state sales tax revenues.

Jan. 27, 2021  
DATE

Rick Miller  
DIVISION DIRECTOR

msm

2/1/2021  
DATE

Huan Gong  
HUAN GONG, ECONOMIST

2/1/21  
DATE

JDS  
FOR THE COMMISSION

*The estimated 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 – SB 454 [Introduced] Prepared 01/26/2021**

The measure proposes to sunset, effective July 1, 2021, the 1.25% sales tax levied on the gross receipts associated with the sale of motor vehicles.

Oklahoma Tax Commission records indicate that, a total of \$147,709,138 in state sales tax was remitted for sales of motor vehicles over the last 12 months<sup>1</sup>. Assuming similar motor vehicle transactions occur in FY 22, a decrease of \$147,709,138 in state sales tax revenues is estimated for FY 22.

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<sup>1</sup> December, 2019 through November, 2020.