

**BILL SUMMARY**  
1<sup>st</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB2317</b>
<b>Version:</b>	<b>Introduced</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>SPT Hilbert</b>
<b>Date:</b>	<b>2/22/2023</b>
<b>Impact:</b>	<b>See analysis below</b>

**Research Analysis**

HB2317, as introduced, extends the sunset date for the sales tax exemption on the sale or lease of rolling stock to July 1, 2029. Currently, the exemption is set to expire July 1, 2024.

Prepared By: Quyen Do

**Fiscal Analysis**

The Oklahoma Tax Commission (OTC) provided the following analysis:

The measure proposes amendment to 68 O.S. § 1357 by extending the sunset date of the sales tax exemption for sales of rolling stock<sup>1</sup> by the manufacturer thereof from July 1, 2024 to July 1, 2029. In addition, the measure also removes the existing criteria that in order for the sale to be exempt, it must be made by the manufacturer of the "rolling stock".

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

FY 24: Unknown decrease in state sales tax revenues.  
FY 25 Unknown decrease in state sales tax revenues.

Sales tax is not reported to the Tax Commission in such a manner to allow the capture of remittance data relating to sales of rolling stock made by entities other than its manufacturer. Therefore, it is not known the extent to which the removal of the described exemption qualification requirement will impact state sales tax revenues. Consequently, it is estimated that an unknown decrease in state sales tax revenues will occur for FY 24 and FY 25.

Based on the information provided by OTC, currently no decrease to the FY-24 State Board of Equalization revenue certification is anticipated as a result of the provisions of HB 2317.

Prepared By: John McPhetridge, House Fiscal Staff

**Other Considerations**

None.

