

BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	HB3987
Version:	FULLPCS2
Request Number:	10510
Author:	Rep. Wallace
Date:	2/28/2024
Impact:	\$32.5 Million Increase in Revenue

Research Analysis

The second proposed committee substitute to HB3987 eliminates the sales tax relief credit by repealing the Sales Tax Relief Act and the following provisions:

[Title 68, Section 5010 of the Oklahoma Statutes](#)
[Title 68, Section 5011 of the Oklahoma Statutes](#)
[Title 68, Section 5012 of the Oklahoma Statutes](#)
[Title 68, Section 5013 of the Oklahoma Statutes](#)
[Title 68, Section 5014 of the Oklahoma Statutes](#)
[Title 68, Section 5015 of the Oklahoma Statutes](#)
[Title 68, Section 5016 of the Oklahoma Statutes](#)

Prepared By: Quyen Do

Fiscal Analysis

In its current form, HB3987 proposes to eliminate the sales tax relief credit by repealing the Sales Tax Relief Act.

Analysis by the Oklahoma Tax Commission:

REVENUE IMPACT: Oklahoma Tax Commission records indicate that sales tax relief credits claimed for tax year 2021 totaled approximately \$32.5 million. Assuming similar activity for tax year 2024, the expected revenue impact of the proposal is an increase in income tax revenue of approximately \$32.5 million, beginning FY 2025.

Prepared By: Zach Penrod

Other Considerations

None.