

# OKLAHOMA TAX COMMISSION

## REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT SECOND REGULAR SESSION, FIFTY-NINTH OKLAHOMA LEGISLATURE

**DATE OF IMPACT STATEMENT:** January 2, 2024

**BILL NUMBER:** SB 1237 **STATUS AND DATE OF BILL:** Introduced 12/7/2023

**AUTHORS:** House: n/a Senate: Bullard

**TAX TYPE (S):** Aircraft Excise Tax and Sales Tax **SUBJECT:** Repeal and Exemption

**PROPOSAL:** Amendatory

SB 1237 proposes to repeal the three and one-fourth percent (3 1/4%) excise tax on the purchase price of an aircraft upon the effective date of November 1, 2024. In addition, it also repeals the sales tax exemption for aircraft in 68 O.S. § 1355 but adds a new sales tax exemption for aircraft in 68 O.S. § 1357.


**EFFECTIVE DATE:** November 1, 2024

### REVENUE IMPACT:

Based upon Tax Commission records, the average annual tax collections over the last 10 fiscal years for aircraft excise tax is \$4,665,258. Assuming similar aircraft excise tax collections for FY 25 and FY 26 and calculated with an effective date of November 1, 2024, will result in the following:

FY 25: An estimated decrease of \$3,110,000 in aircraft excise tax revenues.

FY 26: An estimated decrease of \$4,665,000 in aircraft excise tax revenues.

<u>1/3/24</u>		
DATE	MARIE SCHUBLE, DIVISION DIRECTOR	<u>msm</u>
<u>1/3/24</u>	<u>Huan Gong</u>	
DATE	HUAN GONG, ECONOMIST	
<u>1/4/2024</u>	<u>Joe Gappa</u>	
DATE	JOSEPH GAPPA, 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.***