

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: January 12, 2024

BILL NUMBER: SB 1266 **STATUS AND DATE OF BILL:** Introduced 12/8/23

AUTHORS: House: N/A Senate: Kirt

TAX TYPE(S): Income Tax and Other **SUBJECT:** Credit

PROPOSAL: Amendatory

SB 1266 proposes to amend 62 O.S. § 46A, providing that all economic incentive provisions enacted, reauthorized or extended beyond the provided date of expiration after November 1, 2024, must include a measurable goal(s) and for an incentive claimed as a credit, the duration is limited to 10 or fewer years.

The proposal further provides the following definitions:

- “Incentive” means any provision designed to benefit a business entity in the form of a credit, exemption, deduction, or rebate pertaining to a state tax liability of any kind, including a credit for an employee whose qualification is based on a specific degree, certification, or state license, or due to employment by an entity classified under a specific North American Industry Classification System code.
- “Measurable goal” means a statement about the expected long-term result of an incentive, intended for use as a foundation for data collection, comparison and evaluation.

EFFECTIVE DATE: November 1, 2024

REVENUE IMPACT:

The revenue impact for a credit incentive enacted, authorized or extended after November 1, 2024, would be expected after the duration of the credit (limited to 10 years).

FY 25: None.

FY 26: None.

1/15/24

DATE

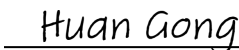


MARIE SCHUBLE, DIVISION DIRECTOR

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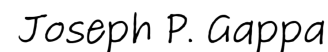
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HUAN GONG, ECONOMIST

1/15/2024

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.