

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: January 19, 2024

BILL NUMBER: SB 1445 **STATUS AND DATE OF BILL:** Introduced 12/15/23

AUTHORS: House: n/a Senate: Rader

TAX TYPE (S): Sales Tax **SUBJECT:** Exemption

PROPOSAL: Amendatory

SB 1445 proposes to amend 68 O.S. § 1356(10) to exempt sales of tangible personal property or services to persons or subcontractors who have entered into a public construction contract with the Oklahoma State University (OSU) Medical Authority and Trust or the OSU Veterinary Medicine Authority and Trust.

EFFECTIVE DATE: Emergency - July 1, 2024

REVENUE IMPACT:

OSU Medical Authority and Trust indicated their current estimate for sales-taxable expenditures for FY 25 projects is \$500,000. OSU Veterinary Medicine Authority and Trust does not anticipate utilizing this sales tax exemption for FY 25. Applying the state sales tax rate of 4.5% and inflation rate adjustment¹ results in the following:

FY 25: \$23,000 decrease in state sales tax collections.

1/25/24

DATE

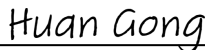


MARIE SCHUBLE, DIVISION DIRECTOR

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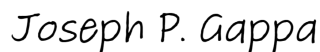
DATE



HUAN GONG, ECONOMIST

1/25/2024

DATE



JOSEPH P. 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.

¹ IHS Markit/US Forecast Flash, December 29, 2023 [2.1% for FY 24 and 2.0% for FY 25].