



**OKLAHOMA**  
Tax Commission

# MEMO

Tax Policy and Research Division

Date: February 23, 2023  
To: Rick Miller, Director *RYM*  
Tax Policy & Research Division  
From: Corey Jager  
Tax Policy Analyst  
Subject: SB 317 PCS

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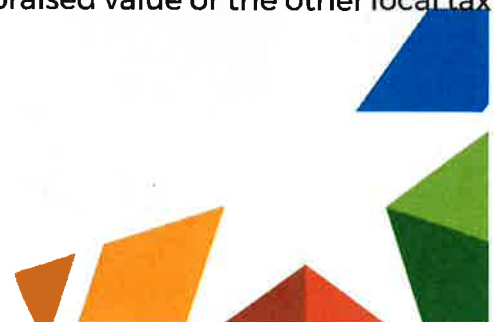
This is in response to your request for a revenue impact for the Proposed Committee Substitute for SB 317 which proposes to amend the Local Development Act ("Act"), by establishing reporting requirements for the governing body of a city, town, or county.

Under current law, the Local Development Act implements Section 6C of Article X of the Oklahoma Constitution as approved by the voters of the State of Oklahoma on November 6, 1990, by:

- Providing for the granting of incentives and exemptions from taxation within certain areas, placing restrictions thereon, and limiting the time period for the exemptions;
- Providing for apportionment of an increment of local taxes and fees, placing restrictions thereon, and limiting the time period for the apportionment; and
- Providing for the planning, financing, and carrying out of development and redevelopment within certain areas.

This measure requires the governing body of a city, town, or county with an increment district in operation for 9 months or more, on or before the ninetieth day following the end of each fiscal year, to submit a report to the Oklahoma Department of Commerce. Commerce shall provide a copy of the report to any member of the public upon request. The disclosure report shall include the following information:

1. The amount and source of revenue captured and apportioned pursuant to the project plan;
2. The amount and purpose of expenditures;
3. The amount of principal and interest due on outstanding bonded indebtedness;
4. The tax increment base and current captured appraised value or the other local tax or fee collections retained by the area;



5. The captured appraised value or the other local tax or fee collections shared by the city, town, or county and other taxing entities, the total amount of tax increments received, and any additional information necessary to demonstrate compliance with the plan adopted by the city, town, or county;
6. The name of the person who is currently in charge of the implementation of the plan; and
7. The names of the persons who have disclosed an interest as required pursuant to 62 O.S. Section 857 and the interest disclosed.

Also, this measure requires the governing body of a city, town, or county with an incentive district in operation for 9 months or more, on or before the ninetieth day following the end of each fiscal year, to submit a report to the Oklahoma Department of Commerce. Commerce shall provide a copy of the report to any member of the public upon request. The disclosure report shall include the following information:

1. The parties receiving incentives or exemptions;
2. A general description of the property and the improvements to be made;
3. The portion and fair market value of the property to be exempted or that portion of the local taxes to be subject to incentives or to be exempted;
4. The duration of the incentives or exemptions;
5. Any additional information necessary to demonstrate compliance with the tax incentives or exemptions;
6. The name of the person who is currently in charge of the implementation of the plan; and
7. The names of the persons who have disclosed an interest as required pursuant to 62 O.S. Section 857 and the interest disclosed.

The proposal is not expected to impact state revenues.