

**BILL SUMMARY**  
1<sup>st</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB961</b>
<b>Version:</b>	<b>FA1</b>
<b>Request Number:</b>	<b>8272</b>
<b>Author:</b>	<b>Rep. Dempsey</b>
<b>Date:</b>	<b>4/25/2023</b>
<b>Impact:</b>	<b>OTC Analysis:</b>
	<b>FY24: \$85,000 revenue decrease</b>
	<b>FY25: \$149,000 revenue decrease</b>

**Research Analysis**

Floor amendment 1 to SB961 deletes the proposed definition of farm or farming, as it to the agricultural sales tax exemption.

As amended, the measure modifies the definition of *agricultural products*, as it relates to the agriculture sales tax exemption, to include game animals. Game animals are defined as animals bred to be hunted for sport and food, excluding feral swine.

Prepared By: Quyen Do

**Fiscal Analysis**

In its current form, SB961 expands the agricultural sales tax exemption to include game animals as an *agricultural product*, and removes the definition of *farming or farm*.

This change ultimately removes the portion of the revenue decrease that could not be calculated previously. The total impact of the bill is equal to the decrease in tax revenue related to the expanded definition of *agricultural product*.

The Oklahoma Tax Commission provides the following information regarding the fiscal impact of the bill:

As a result of the proposed floor amendment there would no longer be an unknown decrease in state sales tax associated with the inclusion of timber production and related activities for purposes of the agricultural sales tax exemption. The revenue impact for the remaining proposal to include game animals as agricultural products is outlined as follows:

FY 24: \$85,000 decrease in state sales tax revenues  
FY 25: \$149,000 decrease in state sales tax revenues

Prepared By: Zachary Penrod, House Fiscal Staff

**Other Considerations**

None.

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