

**BILL SUMMARY**  
1<sup>st</sup> Session of the 60<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB1378</b>
<b>Version:</b>	<b>CCR A</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. Dempsey</b>
<b>Date:</b>	<b>5/20/2025</b>
<b>Impact:</b>	<b>Unknown revenue decrease</b>

**Research Analysis**

CCR A for HB1378 restores the title.

As amended, HB1378 expands and adds definitions used to administer the agriculture sales tax exemption and the agriculture exemption permit. The definition of *agricultural products* is expanded to include timber. *Farming* and *farm* is defined to include the production of timber, seedling production and forestry management.

Prepared By: Quyen Do

**Fiscal Analysis**

In its current form, HB1378 modifies definitions used to administer the agriculture sales tax exemption and agricultural exemption permit.

The CCR restores the title, and the fiscal impact remains unchanged.

The Oklahoma Tax Commission has provided the following analysis:

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**ESTIMATED REVENUE IMPACT:**

**FY26:** Unknown decrease in state sales tax revenues.

**FY27:** Unknown decrease in state sales tax revenues.

**ANALYSIS:** The measure includes the production of timber, seedling production, and forestry management to the definition of Agricultural products for the purpose of obtaining an agricultural sales tax exemption.

The measure does not provide definitions for the terms "timber", "seedling production", or "forestry management", allowing a broad interpretation for each new term. The amount of land that is currently being used for timber production, seedling production, and forestry management is unknown, as are the number of additional agricultural permit holders that may be exempted by this measure. This results in an unknown decrease in annual state sales tax revenues.

Prepared By: Zachary Penrod, House Fiscal Staff

**Other Considerations**

None.

