

BILL SUMMARY
1st Session of the 60th Legislature

Bill No.:	SB59
Version:	ENGR
Request Number:	
Author:	Rep. Schreiber
Date:	4/8/2025
Impact:	FY26: -\$2,000 in sales tax collections FY27: -\$3,500 in sales tax collections

Research Analysis

Engrossed SB59 establishes a sales tax exemption for sales to or by a 501c3 organization with the main mission of providing school supplies and clothing to public school students.

Prepared By: Quyen Do

Fiscal Analysis

The Oklahoma Tax Commission has provided the following analysis:

ESTIMATED REVENUE IMPACT:

FY26: Estimated \$2,000 decrease in state sales tax collections.

FY27: Estimated \$3,500 decrease in state sales tax collections.

ANALYSIS: SB 59 proposes to amend 68 O.S. § 1356 by exempting from the state sales tax levy sales of tangible personal property and services to or by a 501(c)(3) organization whose principal purpose is to provide school supplies or articles of clothing for underserved students attending grades pre-K through 12 at public schools in this state.

Currently, one organization has been identified which could qualify for the proposed sales tax exemption. In FY 24, it paid an estimated \$5,929 in sales tax, of which \$3,083 is attributed to state sales tax. Assuming similar taxable expenditures for FY26 and FY27, and accounting for inflation¹, results in an estimated decrease in state sales tax collections of \$1,906 for FY26 (a November 1, 2025 effective date impacting approximately 7 months of sales tax collections) and \$3,330 for FY27.

Prepared By: Zach Penrod, House Fiscal Staff

Other Considerations

None.