



BILL/VERSION: SB 1998 / INTRODUCED

ANALYST: MM

AUTHORS: Sen. Coleman

DATE: 1/20/2025

TAX(ES): Sales Tax

SUBJECT(S): Quality Events

EFFECTIVE DATE: November 1, 2026

Emergency

ESTIMATED REVENUE IMPACT:

FY27: unknown decrease in state sales tax revenues.

FY28: unknown decrease in state sales tax revenues.

ANALYSIS: The measure makes minor modifications to certain definitions and expands the types of expenditures eligible for reimbursement under the Quality Events Incentive Act. It also allows municipal events that do not currently qualify to receive reimbursement, provided a minimum investment of \$5,000 is made and the event is the only qualifying event for the year. A reimbursement cap of \$100,000 applies to these events.

While the measure may increase the number of qualifying events, data is not available to estimate how many additional events may occur or the potential reimbursement amounts.

Currently under the Act, local governments may receive reimbursements of up to \$250,000 for quality event expenses, funded by incremental state sales tax revenues generated from hosting or assisting in the presentation of a quality event. In FY25, the Oklahoma Tax Commission received eight quality event applications, all of which met the requirements and were processed for reimbursement payments totaling \$1.65 million across two fiscal years.

1/29/26

DATE

Huan Gong

DR. HUAN GONG, CHIEF TAX ECONOMIST

1/30/26

DATE

Marie Schuble

MARIE SCHUBLE, DIVISION DIRECTOR

1/30/26

DATE

Joseph P. Gappa

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. This estimate reflects current available data as of the date of issuance and is subject to revision if additional information becomes known.