OKLAHOMA Tax Commission

REVENUE IMPACT STATEMENT
2026 REGULAR SESSION
60TH LEGISLATURE, 2ND SESSION

BILL/VERSION:	**SB 1848** / INTRODUCED	**ANALYST**: EC	
AUTHORS:	Sen. Sacchieri	**DATE**: 1/29/2026	
TAX(ES):	Ad Valorem Tax		
SUBJECT(S):	5-Year Manufacturing Exemption		
EFFECTIVE DATE:	November 1, 2026	**Emergency** ☐	

ESTIMATED REVENUE IMPACT: None.

ESTIMATED APPORTIONMENT IMPACT:
Ad Valorem Reimbursement Fund: Unknown.

ANALYSIS: SB 1848 amends 68 O.S. § 2902[1], relating to the 5-year ad valorem manufacturing exemption. The measure shortens the sunset date for the five-year personal property tax exemption applicable to NAICS 518210 businesses from December 31, 2036, to December 31, 2026. The measure also allows establishments under Industrial Group Number 5415 to apply for the exemption for assets placed in service not later than December 31, 2026.

To estimate the number of potentially affected businesses, ad valorem five-year manufacturing exemption data were reviewed for entities classified under NAICS 518210 and Industry Code 5415. Two active accounts were identified under NAICS 518210 that may be impacted by the proposed change, and no active accounts were identified under Industry Code 5415.

To the extent any of these properties are currently receiving the exemption, they would instead be subject to regular ad valorem taxation, with counties, school districts, and other local taxing jurisdictions receiving collections directly rather than through state reimbursement. As a result, the local impact would be largely neutral. The State could see reduced obligations from the Ad Valorem Reimbursement Fund if fewer facilities qualify for the exemption.

[1] Sections 1 and 2 of SB 1848 make additional amendments to 62 O.S. § 860 and § 861 of the Local Development Act. These provisions are not administered by the Oklahoma Tax Commission; therefore, no bill analysis impact is provided for these sections.

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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.