

# OKLAHOMA TAX COMMISSION

## REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT SECOND REGULAR SESSION, FIFTY-NINTH OKLAHOMA LEGISLATURE

**DATE OF IMPACT STATEMENT:** January 12, 2024

**BILL NUMBER:** SB 1505

**STATUS AND DATE OF BILL:** Introduced 12/15/23

**AUTHORS:** House: n/a

Senate: Paxton

**TAX TYPE(S):** none **SUBJECT:** Emissions Reduction Technology Incentive Act

**PROPOSAL:** Amendatory

SB 1505 proposes to amend multiple sections of the *Oklahoma Emission Reduction Technology Incentive Act* (68 O.S. §§ 55007-55010). Amendments add to and clarify the allowable activities for the incentive; rename and refine the purpose of the existing fund to be for midstream and upstream projects (Midstream and Upstream Fund) and increase the fiscal year cap from \$10 million to \$100 million; and create an additional fund for downstream projects (Downstream Fund) with a fiscal year cap of \$25 million. SB 1505 outlines the process for payments if claims exceed available funds. SB 1505 proposes a \$100 million appropriation to the Midstream and Upstream Fund and a \$25 million appropriation to the Downstream Fund from monies not otherwise appropriated from the General Revenue Fund (GRF) for FY 23.

**EFFECTIVE DATE:** Emergency - July 1, 2024

### REVENUE IMPACT:

The proposal outlined under SB 1505 will have no impact on revenue to the State. An estimate of rebate claims is unknown, however the funds used to pay the rebates are allocated with monies from donations, contributions or gifts or legislative appropriations. This may result in a reallocation of state funds dependent upon whether and how the Legislature makes an appropriation. The combined appropriations of \$125 million, as proposed under SB 1505, would pull from pre-existing monies in the GRF that was not otherwise appropriated in FY 23.

**FY 25: none.**

**FY 26: none.**

1/16/24

DATE



MARIE SCHUBLE, DIVISION DIRECTOR

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1/16/24

DATE

Huan Gong

HUAN GONG, ECONOMIST

1/17/2024

DATE

Joseph P. Gappa

JOSEPH 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.***