

OKLAHOMA TAX COMMISSION

**REVENUE IMPACT STATEMENT
FIRST REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE**

DATE OF IMPACT STATEMENT: February 16, 2021

BILL NUMBER: SB 606 STATUS AND DATE OF BILL: Committee Substitute 2/16/2021

AUTHORS: House n/a Senate Rader

TAX TYPE (S): Income Tax **SUBJECT:** Administrative

PROPOSAL: Amendatory

SB 606 proposes to amend 62 O.S. §§ 841, 844 and 845 to modify the definition of “retail purposes” and to make the state local enterprise matching payment for eligible enterprises equal to the amount of the net benefit rate, as computed by the Oklahoma Department of Commerce, as multiplied by the actual gross sales derived from the project.¹ This proposal further allows the Oklahoma Tax Commission (OTC) to properly remit incentive payments authorized by the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act. This measure converts the existing Oklahoma Local Development and Enterprise Zone Incentive Leverage Act Incentive Payment Fund to an agency special account (ASA) in the State Treasury for the OTC.

EFFECTIVE DATE: November 1, 2021

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 22: None.

FY 23: None.

Mar. 11, 2021
DATE

Rick Miller
DIVISION DIRECTOR

bdf

3/11/2021
DATE

Huan Gong
HUAN GONG, ECONOMIST

3/11/2021
DATE

Joseph L. Gaypa
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.

¹ Under current law, the enterprise is eligible for a state local enterprise matching payment equal to the amount of sales tax exemption afforded to the enterprise pursuant to 62 O.S. Section 860.