

OKLAHOMA TAX COMMISSION

**REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT
FIRST REGULAR SESSION, FIFTY-NINTH OKLAHOMA LEGISLATURE**

DATE OF IMPACT STATEMENT: February 27, 2023

BILL NUMBER: SB 606 **STATUS AND DATE OF BILL:** Engrossed 2/23/23

AUTHORS: House: Pfeiffer Senate: Rader

TAX TYPE (S): Ad Valorem **SUBJECT:** Administrative

PROPOSAL: Amendatory

Engrossed SB 606 proposes to amend 68 O.S. § 2857 to eliminate the filing extension for returns required by the Ad Valorem Tax Code.

EFFECTIVE DATE: November 1, 2023

REVENUE IMPACT:

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

FY 24: None.
FY 25: None.

ADMINISTRATIVE IMPACT:

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

FY 24: Minimal administrative cost savings to the OTC are expected as a result of this proposal.

Feb. 27, 2023
DATE

Rick Miller
DIVISION DIRECTOR

bf

2/27/2023
DATE

Huan Gong
HUAN GONG, ECONOMIST

2/28/2023
DATE

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.

ATTACHMENT TO REVENUE IMPACT - SB 606 [Engrossed] Prepared 2/27/23

Engrossed SB 606 proposes to amend 68 O.S. § 2857 to eliminate the filing extension for returns required by the Ad Valorem Tax Code.

Currently, the Oklahoma Tax Commission (OTC) may grant a filing extension of up to 15 days without penalty for Ad Valorem returns, upon written request of a taxpayer and for good cause. By eliminating the extension, the OTC expects to ease the administrative challenges related to valuing approximately \$21 billion in fair value for railroad, airline and public service property within the allotted six-week time period. Minimal costs savings to the OTC for employee overtime are also expected as a result of the proposal.