

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 751 **STATUS AND DATE OF BILL:** Introduced 1/18/2023

AUTHORS: House: n/a Senate: Woods

TAX TYPE (S): Use Tax **SUBJECT:** Apportionment

PROPOSAL: Amendatory

The measure proposes to amend 68 O.S. § 1403 by apportioning 100% of state use tax revenues for FY 24 to the General Revenue Fund less the amount of \$20,500,000 currently allocated to the Education Reform Revolving Fund.

EFFECTIVE DATE: Emergency July 1, 2023

REVENUE IMPACT:

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

FY 24: See Attached

Feb. 27, 2023
DATE

Rick Miller
DIVISION DIRECTOR

msm

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 - SB751 - [Introduced] - Prepared 02/27/2023

The measure proposes to amend 68 O.S. § 1403 by apportioning 100% of the state use tax revenues for FY 24 to the General Revenue Fund less the amount of \$20,500,000 currently allocated to the Education Reform Revolving Fund.

The Oklahoma Tax Commission projects state use tax apportionment to total \$620,712,000 for FY 24. Subtracting the \$20,500,000 allocated to the Education Reform Revolving Fund yields \$600,212,000.¹ Under current language the General Revenue Fund receives 83.36% of state use tax revenues:

The amendatory language of the measure will result in the outlined apportionment changes for FY 24 as follows:

- \$99,875,276 increase in use tax revenues apportioned to the General Revenue Fund
- \$62,782,175 decrease in use tax revenues apportioned to the Education Reform Revolving Fund
- \$31,511,130 decrease in use tax revenues apportioned to Teachers' Retirement System Dedicated Revenue Revolving Fund
- \$1,879,864 decrease in use tax revenues apportioned to the Oklahoma Tourism Promotion Revolving Fund
- \$3,341,980 decrease in use tax revenues apportioned to the Oklahoma Tourism Capital Improvement Revolving Fund
- \$360,127 decrease in use tax revenues apportioned to the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund.

¹ The estimated allocation does not account for any possible apportionments of use tax revenues to Qualified Manufacturer rebates or Oklahoma Local Development Enterprise Incentive rebates.