

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: January 20, 2023

BILL NUMBER: SB 992 **STATUS AND DATE OF BILL:** Introduced 1/19/23

AUTHORS: House: n/a Senate: Stanley

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

PROPOSAL: Amendatory

SB 992 proposes to amend 68 O.S. § 2358, providing a definition of “dependent” for the personal income tax exemption to include an unborn child, effective for tax year 2023 and subsequent tax years.

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: Unknown decrease in income tax revenue.

FY 25: Unknown decrease in income tax revenue.

<u>Feb. 5, 2023</u>	<u>Rick Miller</u>	bf
DATE	DIVISION DIRECTOR	
<u>2/6/2023</u>	<u>Huan Gong</u>	
DATE	HUAN GONG, ECONOMIST	
<u>2/7/2023</u>	<u>Joseph P Gappa</u>	
DATE	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 992 [Introduced] Prepared 1/20/23

SB 992 proposes to amend 68 O.S. § 2358, providing a definition of "dependent" for the personal income tax exemption to include an unborn child, effective for tax year 2023 and subsequent tax years.

The following definitions are proposed:

- "Dependent" will have the same meaning as in the 25 U.S.C., Section 152; provided, that any unborn child with a detectable human heartbeat will qualify as a dependent.
- "Detectable heartbeat" means embryonic or fetal cardiac activity or the steady and repetitive rhythmic contraction of the heart within the gestational sac, and
- "Unborn child" means a member of the species *Homo sapiens* at any stage of development who is carried in the womb."

The Oklahoma Tax Commission will promulgate rules to verify the proposed exemption.

An unknown decrease in income tax revenue is expected as a result of the proposal, beginning in FY 24 when the 2023 returns are filed.