

OKLAHOMA TAX COMMISSION

**FISCAL IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT
SECOND REGULAR SESSION, FIFTY-SECOND OKLAHOMA LEGISLATURE**

DATE OF IMPACT STATEMENT: March 11, 2010

BILL NUMBER: SB 2124 **STATUS AND DATE OF BILL:** Engrossed 3/8/10

AUTHORS: House Hickman Senate Mazzei

TAX TYPE (S): Quality Jobs **SUBJECT:** Other

PROPOSAL: Amendatory

SB 2124 proposes to modify the Oklahoma Quality Jobs incentive by adding two (2) industry classifications as basic industries eligible for the Quality Jobs Incentive.

EFFECTIVE DATE: November 1, 2010

REVENUE IMPACT:

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


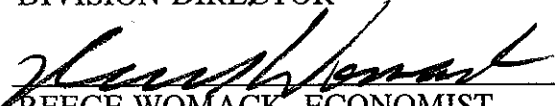

FY 11: -0-

FY 12: -0-

ADMINISTRATIVE IMPACT:

Insert the estimated cost or savings to the Tax Commission due to this proposed legislation.

FY 11: -0-

<u>3/15/10</u> DATE	<u></u> DIVISION DIRECTOR	<u>mck</u>
<u>3/15/10</u> DATE	<u></u> REECE WOMACK, ECONOMIST	
<u>3/16/10</u> DATE	<u></u> FOR THE COMMISSION	

ATTACHMENT TO FISCAL IMPACT - SB 2124 [Engrossed] Prepared March 11, 2010

SB 2124 proposes to modify the Oklahoma Quality Jobs incentive by adding two (2) industry classifications as basic industries eligible for the Quality Jobs Incentive.

This measure adds establishments that are classified or defined in the North American Industrial Classification System (NAICS) Manual as U.S. Industry Nos. 4882¹ (those support activities for rail transportation) and 4883² (those support activities for water transportation) as basic industries eligible for the Quality Jobs Incentive.

We anticipate no reduction in revenue as a result of this proposal due to the revenue neutral features of the Quality Jobs Incentive Act.

¹ While NAICS code 4882 generally describes establishments that are “support activities for rail transportation”, an examination of NAICS Code 488210 provides a better description of the type of industries that would be eligible under this proposal. This industry is comprised of establishments primarily engaged in providing specialized services for railroad transportation including servicing, routine repairing (except factory conversion, overhaul or rebuilding of rolling stock), and maintaining rail cars; loading and unloading rail cars; and operating independent terminals are classified under NAICS 488210.

² While NAICS code 4883 generally describes establishments that are “support activities for water transportation”, an examination of NAICS Codes 488310, 488320, 488330 and 488390 provides a better description of the type of industries that would be eligible under this proposal. This industry comprise establishments primarily engaged in operating ports, harbors (including docking and pier facilities), or canals are classified under NAICS 488310. Industries that comprise establishments primarily engaged in providing stevedoring and other marine cargo handling services (except warehousing) are classified under NAICS 488320. Industries that comprise establishments primarily engaged in providing navigational services to shipping and marine salvage establishments are classified under NAICS 488330. Industries that comprise establishments primarily engaged in providing services to water transportation (except port and harbor operations; marine cargo handling services; and navigational services to shipping) are classified under NAICS 488390.