

OKLAHOMA TAX COMMISSION

FISCAL IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-THIRD OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: March 16, 2011

BILL NUMBER: SB 0163 STATUS AND DATE OF BILL: Engrossed 03/15/2011

AUTHORS: House Dank Senate Mazzei

TAX TYPE (S): Ad Valorem SUBJECT: Other

PROPOSAL: Amendatory 62 O.S. § 193

The measure amends the current method of determining the amount of local tax reimbursement attributable to the Five-Year Manufacturing Exemption.¹ For tax year 2012 and all subsequent tax years, the amendment limits reimbursement to the property valuation based on the year immediately preceding the calendar year in which the facility initially qualifies for the exemption.

EFFECTIVE DATE: January 1, 2012

REVENUE IMPACT:

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

FY 12: None

FY 13: \$9,013,000 reduction in claims against the Ad Valorem Reimbursement Fund

FY 14: \$18,118,000 reduction in claims against the Ad Valorem Reimbursement Fund

FY 15: \$27,333,000 reduction in claims against the Ad Valorem Reimbursement Fund

FY 16: \$36,678,000 reduction in claims against the Ad Valorem Reimbursement Fund

FY 17: \$46,172,000 reduction in claims against the Ad Valorem Reimbursement Fund

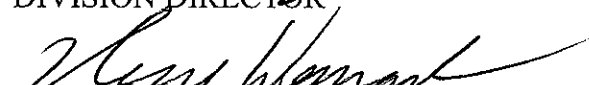
ADMINISTRATIVE IMPACT:

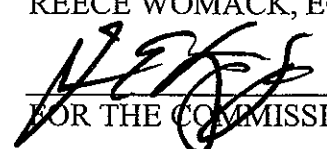
Insert the estimated cost or savings to the Tax Commission due to this proposed legislation.

FY 12: None

3/21/11
DATE 
DIVISION DIRECTOR

cjc

3/22/2011
DATE 
REECE WOMACK, ECONOMIST

3/22/11
DATE 
FOR THE COMMISSION

*SB163 (2011 5 YR Exempt Reimbursement Projection)

Current Reimbursement Projection

	2012 Tax Year 2013 Payout 1st Yr SB163	2013 Tax Year 2014 Payout	2014 Tax Year 2015 Payout	2015 Tax Year 2016 Payout	2016 Tax Year 2017 Payout
XM1	9,113,443	9,569,115	10,047,571	10,549,949	11,077,447
XM2	8,494,083	8,748,905	9,186,351	9,645,668	10,127,951
XM3	6,711,413	8,154,320	8,398,949	8,818,897	9,259,841
XM4	6,273,162	6,442,956	7,828,147	8,062,991	8,466,141
XM5	5,235,922	6,022,236	6,185,238	7,515,021	7,740,471
Total	35,828,023	38,937,532	41,646,256	44,592,526	46,671,852

SB 163 5 Yr Exempt Reimbursement Phase out

	2012 Tax Year 2013 Payout	2013 Tax Year 2014 Payout	2014 Tax Year 2015 Payout	2015 Tax Year 2016 Payout	2016 Tax Year 2017 Payout
XM1	100,000	100,000	100,000	100,000	100,000
XM2	8,494,083	100,000	100,000	100,000	100,000
XM3	6,711,413	8,154,320	100,000	100,000	100,000
XM4	6,273,162	6,442,956	7,828,147	100,000	100,000
XM5	5,235,922	6,022,236	6,185,238	7,515,021	100,000
Total	26,814,580	20,819,512	14,313,385	7,915,021	500,000

Estimated Total Reimbursement Reduction

	(FY 13) 2012 Tax Year 2013 Payout	(FY 14) 2013 Tax Year 2014 Payout	(FY 15) 2014 Tax Year 2015 Payout	(FY 16) 2015 Tax Year 2016 Payout	(FY 17) 2016 Tax Year 2017 Payout
Total	\$9,013,443	\$18,118,020	\$27,332,871	\$36,677,505	\$46,171,852