OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: March 14, 2011

BILL NUMBER: SB 0286 **STATUS AND DATE OF BILL:** Engrossed 03/07/2011

AUTHORS: House Sullivan Senate Anderson

TAX TYPE (S): Sales and Use Tax **SUBJECT:** Other

PROPOSAL: Amendatory 68 O.S. § 113

The measure creates a revolving fund for the Tax Commission to be known as the Municipal Tax Enforcement Fund to consist of funds received by the Tax Commission from any incorporated city or town pursuant to contractual agreements enter into for augmentation of the enforcement and collection of municipal sales and use taxes. The measure also 1) requires the Tax Commission, in consultation with representatives of a statewide nonprofit organization that supports municipal functions and whose membership consists primarily of municipalities , to develop accountability protocols for the fund; 2) establishes that expenses for developing, implementing and updating the protocols may be paid out of the fund; and 3) authorizes the Tax Commission to hire full-time equivalent employees as needed to perform the duties necessary to fulfill the contractual agreements but limits the support of those employees solely to money from the fund. Further, it requires that the employees be terminated upon discontinuation of the funds or inadequate funds to support the positions and provides that the employees will be unclassified and will not be subject to the Oklahoma Personnel Act or to any of the rules and regulations of the Office of Personnel Management except for those related to leave. Further, the measure removes the references to incorporated cities and towns relating to the provisions requiring funds received by the Tax Commission for collection of municipal sales/use taxes to be deposited in the Tax Commission Reimbursement Fund.

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: Unknown
FY 13: Unknown

ADMINISTRATIVE IMPACT:

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

FY 12: Unknown increase in OTC costs

March 21, 2011 Dawn Elizabeth Cash cjc
DATE DIVISION DIRECTOR

3/22/2011 Reece Womack
DATE REECE WOMACK, ECONOMIST

3/22/11
DATE FOR THE COMMISSION