

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: February 7, 2013

BILL NUMBER: HB 1367 STATUS AND DATE OF BILL: Introduced 01/13/2013

AUTHORS: House Dank Senate n/a

TAX TYPE (S): Sales Tax SUBJECT: Exemption

PROPOSAL: Amendatory 68 O.S. § 1357

The measure proposes to exempt from the sales tax levy, sales of hearing aids or any other apparatus, device or equipment for use by a hearing-impaired person which is prescribed by a state licensed audiologist or hearing aid dealer or fitter.

EFFECTIVE DATE: July 1, 2013-Emergency

REVENUE IMPACT:

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

FY 14: \$967,000 decrease in sales tax collections

ADMINISTRATIVE IMPACT:

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

FY 14: None

Feb. 8, 2013
DATE

Rick Miller
DIVISION DIRECTOR

bjs

2-8-2013
DATE

Reece Womack
REECE WOMACK, ECONOMIST

2/8/13
DATE

Dan Cass
FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT–HB 1367–[Introduced]–Prepared February 7, 2013

HB 1367 proposes to exempt from the sales tax levy, sales of hearing aids or any other apparatus, device or equipment for use by a hearing-impaired person which is prescribed by a state licensed audiologist or hearing aid dealer or fitter.

A compilation of 2012 sales tax reporting and remittance data indicates total state sales tax collections of \$863,689 attributable to the sale of hearing aids, devices and equipment by hearing aid vendors.

The estimated decrease in state sales tax collections for FY 14 (including projected growth rates¹ of 6.9% for FY 13 and 4.75% for FY 14) is \$967,140.

¹ Oklahoma Tax Commission – Revenue Estimates and Forecasts issued December 13, 2012