

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: April 25, 2013

BILL NUMBER: HB 2062

STATUS AND DATE OF BILL: Senate Amendments to House Bill 4/23/13

AUTHORS: House Derby and Murphey Senate Jolley

TAX TYPE (S): Other **SUBJECT:** Administrative

PROPOSAL: Amendatory

HB 2062 proposes to amend various sections relating to technology. Specifically, as it pertains to the Oklahoma Tax Commission, Section 14 would remove portal fees from the list of items for which the commission can be reimbursed.

EFFECTIVE DATE: July 1, 2013

REVENUE IMPACT:

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

FY 14: None

ADMINISTRATIVE IMPACT:

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

FY 14: Estimated \$144,000 increase in administrative costs

<u>Apr. 25, 2013</u>	<u>Rick Miller</u>	<u>hmr</u>
DATE	DIVISION DIRECTOR	
<u>4-29-13</u>	<u>Reece Womack</u>	
DATE	REECE WOMACK, ECONOMIST	
<u>4/29/13</u>	<u>Dawn Cash</u>	
DATE	FOR THE COMMISSION	

**ATTACHMENT TO FISCAL IMPACT HB 2062 [Senate Amendment to House Bill]
Prepared 4/25/13**

Section 14:

House Bill 2062 proposes to amend 62 O.S. §34.25 by removing “portal fee” from the list of items that may be reimbursed as a “merchant fee.” Said section proposes to allow state agencies, boards, commissions, and authorities to obtain reimbursement of a merchant fee incurred in connection with any electronic or online transaction. HB 2062 proposes to limit merchant fees to the cost of a charge imposed by a third-party credit card or debit card issuer that is necessary to process an electronic or online transaction.

Fiscal Impact:

There are no anticipated changes in state revenues due to this measure.

Administrative Impact:

The Oklahoma Tax Commission (OTC) currently processes eight thousand (8,000) transactions per month, or ninety-six thousand (96,000) transactions per year, through the online CARS system. The CARS system incurs a portal fee of one dollar and fifty cents (\$1.50) per transaction. By eliminating portal fees as an item for which the OTC is reimbursed, the OTC will be forced to absorb one hundred forty-four thousand dollars ($96,000 \times \$1.50 = \$144,000$) annually for providing the online CARS system.