OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: March 31, 2015

BILL NUMBER: SB 672 **STATUS AND DATE OF BILL:** Engrossed 03/11/2015

AUTHORS: House Christian Senate Griffin

TAX TYPE (S): Prepaid Wireless 911 and Oklahoma Universal Service Fund Fees

SUBJECT: Tax Levy

PROPOSAL: Amendatory 17 O.S. §§ 139.102, 139.107 & 63 O.S. § 2843.2

The measure provides for an Oklahoma Universal Service Fund "OUSF" fee to be imposed on each retail sale of prepaid wireless telecommunications service. The OUSF fee is to be collected in combination with the prepaid wireless 911 fee by the seller of the prepaid wireless telecommunications service from its customers and remitted to the OTC in accordance with procedures established under Section 2843.2 of Title 63. The Tax Commission is required under the measure to pay the portion of the combined fee representing the OUSF charge to the Corporation Commission. The OUSF fee is to be set by the Corporation Commission pursuant to the formula provided in the measure.

EFFECTIVE DATE: November 1, 2015

REVENUE IMPACT:

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

FY 16: Unknown
FY 17: Unknown

ADMINISTRATIVE IMPACT:

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

FY 16: Minimal increase in administrative costs

April 2, 2015 — Rick Miller — msm
DATE — DIVISION DIRECTOR

4-3-15 — Reece Womack
DATE — REECE WOMACK, ECONOMIST

4/3/15 — Dan Carl
DATE — FOR THE COMMISSION

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For FY 14, the OTC collected $3,412,899 in prepaid wireless 911 fees which results in approximately 6,825,798 retail transactions upon which this fee was imposed. Based on information obtained from the Corporation Commission, the exact amount of the OUSF fee has not been determined at this time. Therefore, the amount of revenues estimated to be generated for FY 16 and FY 17 as a result of this measure is unknown.

Administrative impact

Any additional administrative costs incurred by the OTC as a result of this proposal would be minimal.