

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: January 29, 2016

BILL NUMBER: SB 1006 STATUS AND DATE OF BILL: Introduced 1/11/16

AUTHORS: House n/a Senate Allen

TAX TYPE (S): Quality Jobs SUBJECT: Other

PROPOSAL: Amendatory

SB 1006 proposes to amend 68 O.S. § 3607 by not allowing establishments to qualify for the Oklahoma Investment / New Jobs Credit in conjunction with incentive payments under the Oklahoma Quality Jobs Program Act for project start dates on or after January 1, 2017¹.

EFFECTIVE DATE: January 1, 2017

REVENUE IMPACT:

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

FY 17: -0-

FY 18: -0-

ADMINISTRATIVE IMPACT:

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

FY 17: -0-

Jan. 29, 2016
DATE

Rick Miller
DIVISION DIRECTOR

mck

1-29-14
DATE

Reece Womack
REECE WOMACK, ECONOMIST

1/29/16
DATE

Dan Cast
FOR THE COMMISSION

¹ Oklahoma Investment / New Jobs Credit eligibility and incentive payments resulting from qualified establishments with project start dates prior to January 1, 2017 are not affected by this measure.

ATTACHMENT TO FISCAL IMPACT – SB 1006 [Introduced] Prepared January 29, 2016

SB 1006 proposes to amend 68 O.S. § 3607 by not allowing establishments to qualify for the Oklahoma Investment / New Jobs Credit in conjunction with incentive payments under the Oklahoma Quality Jobs Program Act for project start dates on or after January 1, 2017.

Under current law, entities are eligible for both the Oklahoma Quality Jobs incentive and the Oklahoma Investment / New Jobs credit for the same activity only² under the following three (3) conditions:

- 1) The entity is eligible for the Oklahoma Investment New / Jobs Credit specifically under 68 O.S. § 2357.4 (B) – which requires a \$40 million investment within a three year time period.
- 2) The entity pays an annualized wage which equals or exceeds the state average wage.
- 3) The entity obtains a determination letter from the Oklahoma Department of Commerce that the business activity of the entity will result in a positive net benefit rate.

No changes in revenue are anticipated as a result of this proposal due to the revenue neutral features of the Oklahoma Quality Jobs Program Act.