

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: February 13, 2016

BILL NUMBER: SB 1469 **STATUS AND DATE OF BILL:** Introduced 01/21/2016

AUTHORS: House n/a Senate David

TAX TYPE (S): Cigarette **SUBJECT:** Apportionment

PROPOSAL: New & Amendatory

The measure proposes to modify apportionment of revenue related to the new cigarette tax rate by reducing the portion credited to the General Revenue Fund by 7.7% and redirecting a like percentage to the Reimbursement for Uncompensated Primary Care Revolving Fund created in Section 1 of this measure.

EFFECTIVE DATE: July 1, 2016 - Emergency

REVENUE IMPACT:

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

FY 17: \$10,717,000 decrease in new rate cigarette tax revenues apportioned to the GRF with a similar increase to the Reimbursement for Uncompensated Primary Care Revolving Fund of the Oklahoma Health Care Authority

ADMINISTRATIVE IMPACT:

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

FY 17: None

Feb. 15, 2016
DATE

2-15-16
DATE

2/15/16
DATE

Rick Miller
DIVISION DIRECTOR

Reece Womack
REECE WOMACK, ECONOMIST

Don Carr
FOR THE COMMISSION

msm

ATTACHMENT TO FISCAL IMPACT – SB 1469 [Introduced] - Prepared 02/13/2016

The measure proposes to modify apportionment of revenue related to the new cigarette tax rate by reducing the portion credited to the General Revenue Fund by 7.7% and redirecting a like percentage to the Reimbursement for Uncompensated Primary Care Revolving Fund created in Section 1 of this measure.

Pursuant to the Oklahoma Tax Commission Revenue Forecast¹, the state will collect an estimated \$139,182,000 in revenues attributable to the new cigarette rate [\$0.80] per pack] on all nontribal sales of cigarettes in FY 17. Multiplying \$139,182,000 by 7.7%, results in an estimated amount of \$10,717,014 to be apportioned to the credit of the Reimbursement for Uncompensated Primary Care Revolving Fund of the Oklahoma Health Care Authority with a similar apportionment decrease to the General Revenue Fund for FY 17.

¹ Oklahoma Tax Commission – Revenue Forecast for FY 17 issued February 9, 2016.