OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: March 14, 2016

BILL NUMBER: SB 1484 **STATUS AND DATE OF BILL:** Engrossed 03/10/2016

AUTHORS: House Newell Senate Jolley

TAX TYPE (S): Sales Tax **SUBJECT:** Other

PROPOSAL: New Law
This measure creates the Oklahoma Tax Code Reform Commission for purposes of conducting a thorough and comprehensive review of the entire Oklahoma Tax Code and to propose and draft a new code as a replacement.

EFFECTIVE DATE: September 1, 2016

REVENUE IMPACT:

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

FY 17: None
FY 18: None

ADMINISTRATIVE IMPACT:

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

FY 17: None

Mar. 15, 2016 — Rick Miller
DATE — DIVISION DIRECTOR

msm

3-15-16 — Reece Womack
DATE — REECE WOMACK, ECONOMIST

3/15/16 — Dan Carr
DATE — FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT SB 1484 – [Engrossed] – Prepared 03/14/2016

This measure creates the Oklahoma Tax Code Reform Commission for purposes of conducting a thorough and comprehensive review of the entire Oklahoma Tax Code and to propose and draft a new code as a replacement.

The Oklahoma Tax Code Reform Commission shall consist of twelve (12) members, none of whom shall be elected officials, as follows:

1. The Governor of the State of Oklahoma shall appoint five members with business experience, one from each of the state's Congressional districts. Three members shall represent small businesses[1], and two shall represent large businesses[2].
2. The State Treasurer shall appoint three members, each with experience in fields related to banking and financial investments.
3. The President Pro Tempore of the Oklahoma State Senate shall appoint two members, each representing taxpayers, one of whom resides within the Oklahoma City Metropolitan Statistical Area and one of whom resides within the Tulsa Metropolitan Statistical Area.
4. The Speaker of the Oklahoma House of Representatives shall appoint two members, each representing taxpayers who reside in a rural area of the state.

The Oklahoma Tax Code Reform Commission shall conduct an organization meeting not later than September 30, 2016. The Commission shall, by not less than a two-thirds vote in support of the recommendation, produce a complete revision and rewrite of the Oklahoma Tax Code. The revision and rewrite shall have the following goals including 1) increasing investment in Oklahoma businesses and jobs, (2) providing for stability in tax receipts throughout economic declines, and (3) encouraging an overall tax burden which is projected to remain in the bottom twenty percent (20%) of state tax burdens as published by the an independent tax policy research organization which has over fifty (50) years' experience in researching and analyzing tax policy at the federal, state and local level. The report must be submitted to the Governor, Pro Tempore of the Oklahoma Senate and the Speaker of the Oklahoma House no later than December 1, 2017. The Commission shall be subject to the "Oklahoma Open Meetings Act", "the Oklahoma Open Records Act". Staff assistance for the Commission shall be provided by the Oklahoma Tax Commission, Oklahoma State Senate and House and the Office of Management and Enterprise Services.

[1] For purposes of this measure, a "small business" shall mean a for-profit enterprise consisting of fifty or fewer full-time or part-time employees.

[2] "Large business" shall mean for purposes of this measure a for-profit enterprise consisting of more than fifty full-time or part-time employees.