

# OKLAHOMA TAX COMMISSION

## REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: March 29, 2019

BILL NUMBER: SB 538 STATUS AND DATE OF BILL: Engrossed 02/27/2019

AUTHORS: House Newton Senate Jech

TAX TYPE (S): Sales SUBJECT: Apportionment

PROPOSAL: Amendatory

SB 538 proposes amendment to 68 § 1353 by providing for the modification of the apportionment of sales tax collections.

EFFECTIVE DATE: Emergency – July 1, 2019

### REVENUE IMPACT:

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

FY 20: \$2,000,000 decrease to the General Revenue Fund with a \$1,000,000 increase to the Oklahoma Tourism Promotion Revolving Fund and a \$1,000,000 increase to the Oklahoma Tourism Improvement Revolving Fund.

Mar. 29, 2019  
DATE

Rick Miller  
DIVISION DIRECTOR

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3-29-2019  
DATE

Huan Gong  
HUAN GONG, ECONOMIST

3-29-19  
DATE

Jim McInt  
FOR THE COMMISSION

*The estimated revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.*

**ATTACHMENT TO REVENUE IMPACT SB 538 [ENGROSSED] Prepared March 29, 2019**

SB 538 proposes amendment to 68 § 1353 by providing for the modification of the apportionment of sales tax collections. Currently, of the revenues derived pursuant to the provisions of the Oklahoma Sales Tax Code eighty-seven one-hundredths percent (0.87%) is apportioned to two funds. These two funds are the Oklahoma Tourism Promotion Revolving Fund and the Oklahoma Tourism Capital Improvement Revolving Fund and they receive thirty-six percent (36%) and sixty-four percent (64%), respectively, of the eighty-seven one-hundredths percent (0.87%). However, these two funds are subject to a five million dollar (\$5,000,000) cap and a nine million dollar (\$9,000,000) cap, respectively. Any amounts that exceed these caps are credited to the General Revenue Fund. SB 538 proposes to modify the apportionment of these funds so that both caps are increased by one million dollars (\$1,000,000) each. This would increase the cap on the Oklahoma Tourism Promotion Revolving Fund to six million dollars (\$6,000,000) and increase to the cap on the Oklahoma Tourism Capital Improvement Revolving Fund to ten million dollars (\$10,000,000).

**Net Revenue Impact**

FY 20:

\$2,000,000 decrease to the General Revenue Fund

\$1,000,000 increase to the Oklahoma Tourism Promotion Revolving Fund

\$1,000,000 increase to the Oklahoma Tourism Capital Improvement Revolving Fund

There is no net revenue impact on collections as a result of this measure.