

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: 2/16/2019

BILL NUMBER: SB 549 STATUS AND DATE OF BILL: Introduced 1/17/2019

AUTHORS: House n/a Senate Murdock

TAX TYPE (S): Gross Production SUBJECT: Apportionment

PROPOSAL: Amendatory

SB 549 proposes to amend 68 § 1004 providing for a change to the apportionment of natural gas at the seven percent (7%) and four percent (4%) rates.

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: \$15,000,000 increase to the County Improvements for Roads and
Bridges Fund
\$15,000,000 decrease to the General Revenue Fund

Feb. 16, 2019
DATE

Rick Miller
DIVISION DIRECTOR

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2-16-2019
DATE

Huan Gong
HUAN GONG, ECONOMIST

2-16-19
DATE

Jim Murt
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 549 [Introduced] February 16, 2019

SB 549 proposes to amend 68 § 1004 providing for a change to the apportionment of natural gas at the seven percent (7%) and four percent (4%) rates.

Currently, eighty-five and seventy-two one-hundredths percent (85.72%) of monies collected on natural gas at the seven percent (7%) rate is paid to the State Treasurer to be placed in the General Revenue Fund. SB 549 proposes to apportion the first fifteen million dollars (\$15,000,000) collected on natural gas at the seven percent (7%) rate, that would normally go to the General Revenue Fund, to the County Improvements for Roads and Bridges Fund until the fiscal year ending June 30, 2027.

SB 549 also proposes to apportion the first fifteen million dollars (\$15,000,000) collected on natural gas at the four percent (4%) rate, however, the four percent (4%) rate expired as of December 2017.

Net Revenue Impact
FY 20:

\$15,000,000 increase to the County Improvements for Roads and Bridges Fund
\$15,000,000 decrease to the General Revenue Fund

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