

OKLAHOMA TAX COMMISSION

**REVENUE IMPACT STATEMENT
FIRST REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE**

DATE OF IMPACT STATEMENT: February 26, 2021

BILL NUMBER: SB 258 **STATUS AND DATE OF BILL:** Introduced 1/4/21

AUTHORS: House N/A Senate Rosino

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

PROPOSAL: Amendatory

SB 258 proposes to amend 68 O.S. § 6005 modifying aircraft excise tax apportionment and removing apportionment language for prior fiscal years.

EFFECTIVE DATE: Emergency-July 1, 2021

REVENUE IMPACT:

FY 22: -0-¹

Mar. 1, 2021
DATE

Rick Miller
DIVISION DIRECTOR

KLS

3/2/2021
DATE

Huan Gong
HUAN GONG, ECONOMIST

3/2/21
DATE

[Signature]
FOR THE COMMISSION

The 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.

¹ Based on an average of aircraft excise tax revenues received in FY 18, FY 19 and FY 20

ATTACHMENT TO REVENUE IMPACT SB 258 [Introduced] Prepared February 26, 2021

SB 258 proposes to amend 68 O.S. § 6005 modifying aircraft excise tax apportionment and removing apportionment language for prior fiscal years.

Currently, the first \$4,500,000 of aircraft excise tax revenues is apportioned to the Oklahoma Aeronautics Commission Revolving Fund (“OACRF”) and any surplus is apportioned to the General Revenue Fund (“GRF”). SB 258 proposes to remove language regarding apportionment of aircraft excise tax for years prior to FY 2021. Additionally, SB 258 proposes to apportion 100% of the revenues derived from aircraft excise tax to the OACRF beginning in FY 22. This change would alter the apportionment of aircraft excise tax such that it would be the same as fiscal years 2001 through 2015.

In the prior three fiscal years aircraft excise tax collections have totaled roughly \$11,391,000², averaging \$3,797,000³ per year. Under current apportionment law, the first \$4,500,000 threshold would not be met for FY 22⁴, thus no excess monies would be apportioned to the GRF. The proposed changes in SB 258 will only have an impact if aircraft excise tax collections exceed \$4,500,000. This measure is revenue neutral and any impact associated with aircraft excise tax collections in excess of \$4,500,000 will be revenue net neutral between the OACRF and the GRF. There is no administrative impact associated with SB 258.

² (FY 20) \$3,075,052.97 + (FY 19) \$4,632,902.55 + (FY 18) \$3,683,481.08 = \$11,391,436.60 rounded to \$11,391,000

³ \$11,391,436.60 ÷ 3 = \$3,797,145.54 rounded to \$3,797,000

⁴ Based on an average of aircraft excise tax revenues received in FY 18, FY 19 and FY 20