OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT
SECOND REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: January 31, 2022

BILL NUMBER: HB 3622 **STATUS AND DATE OF BILL:** Introduced 11/29/21

AUTHORS: House Virgin Senate NA

TAX TYPE (S): Income Tax **SUBJECT:** Credit

PROPOSAL: Amendatory

HB 3622 proposes to amend 68 O.S. § 5011, increasing the amount of the claim that may be filed pursuant to the Sales Tax Relief Act from $40.00 to $80.00 for each allowable personal exemption.

EFFECTIVE DATE: November 1, 2022

REVENUE IMPACT:

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

FY 23: Estimated decrease in income tax revenue of $33.5 million.

Feb. 10, 2022
DATE

Rick Miller
DIVISION DIRECTOR

bdf

2/10/2022
DATE

Huan Gong
HUAN GONG, ECONOMIST

2/14/2022
DATE

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.

ATTACHMENT TO REVENUE IMPACT – HB 3622 [Introduced] Prepared 1/31/2022

HB 3622 proposes to amend 68 O.S. § 5011, increasing the amount of the claim that may be filed pursuant to the Sales Tax Relief Act from $40.00 to $80.00 for each allowable personal exemption.

Oklahoma Tax Commission records indicate sales tax relief credit claims for tax year 2019 totaled approximately $33.5 million. Assuming similar activity for tax year 2022, the expected revenue impact of the proposal is an estimated decrease in income tax collections of approximately $33.5 million, beginning for FY 23 when the 2022 tax returns are filed.