

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: 5/23/2022

BILL NUMBER: HB4457 **STATUS AND DATE OF BILL:** Enrolled 5/20/2022

AUTHORS: House Wallace and Martinez Senate Thompson and Hall

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

PROPOSAL: Amendatory and New Law.

This measure proposes establishing the Oklahoma Route 66 Commission until June 30, 2027, providing for the appointments of Commission members, providing term lengths, creating the Oklahoma Route 66 Commission Revolving Fund, providing for the promulgation of rules, establishing fund characteristics, declaring funds appropriated, limiting authority to budget and expend funds, providing for fund transfer at Commission expiration. Further, this measure proposes amending 68 O.S. § 1353, which relates to the apportionment of sales tax collections by modifying certain apportionments, creating apportionment for Oklahoma Route 66 Commission Revolving Fund, and providing for codification.

EFFECTIVE DATE: Emergency July 1, 2022

REVENUE IMPACT:

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

FY 23: None

May 23, 2022
DATE

Rick Miller
DIVISION DIRECTOR

mg

5/23/2022
DATE

Huan Gong
HUAN GONG, ECONOMIST

5/23/2022
DATE

Joseph P. Garza
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.

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Section 1 of this measure proposes new law to be codified as 69 O.S. § 4040 that establishes Oklahoma Route 66 Commission until June 30, 2027.

Section 2 of this measure proposes new law to be codified as 69 O.S. § 4041 that creates Oklahoma Route 66 Commission revolving fund in the state treasury.

Section 3 of this measure proposes modifying certain apportionment in 68 O.S. § 1353.

Under current law, after as provided in subsection D of 68 O.S. § 1353, sales tax revenue is apportioned as follows:

- 83.36% to General Revenue Fund.
- 10.46% to Education Reform Revolving Fund.
- 5.25% to Teachers Retirement System Dedicated Revenue Revolving Fund
- 0.87% to State Treasurer to be apportioned to:
 - Oklahoma Tourism Promotion Revolving Fund at 36% not to exceed 5 million in any fiscal year.
 - Oklahoma Tourism Capital Improvement Revolving Fund at 64% not to exceed 9 million in any fiscal year.
 - Any excess amount is apportioned to General Revenue Fund.
- 0.06% to Oklahoma Historical Society Capital Improvement and Operation Revolving Fund, but such apportionment may not exceed the total amount apportioned to the fund in the fiscal year ending on June 30, 2015. Any excess amount is apportioned to General Revenue Fund.

Under this measure,

0.87% to State Treasurer shall be apportioned as follows for FY 2023 and subsequent fiscal years:

- Oklahoma Tourism Promotion Revolving Fund at 24% not to exceed 5 million in any fiscal year.
- Oklahoma Tourism Capital Improvement Revolving Fund at 44% not to exceed 9 million in any fiscal year.
- Oklahoma Route 66 Commission Revolving Fund at 32% not to exceed 6.6 million in any fiscal year.
- Any excess amount is apportioned to General Revenue Fund.

Oklahoma Route 66 Commission Revolving Fund will gain \$6,600,000 with a like decline in General Revenue Fund. Under this measure, the excess amount apportioned to General Revenue Fund shall be \$5,605,227¹ for FY 2023.

This measure will have no net revenue impact on the collection of sales tax to the state.

¹ Based on the forecast of sales tax for FY23 prepared for the Office of Management and Enterprise Services by the Oklahoma Tax Commission – February 15, 2022.