OKLAHOMA
Tax Commission

REVENUE IMPACT STATEMENT
2025 REGULAR SESSION
60TH LEGISLATURE, 1ST SESSION

BILL/VERSION:	**HB 1104** / COMMITTEE SUB	**ANALYST**: MM	
AUTHORS:	Rep. Kelly	**DATE**: 2/7/2025	
TAX(ES):	County Lodging Tax		
SUBJECT(S):	Tax Levy		
EFFECTIVE DATE:	November 1, 2025	**Emergency** ☐	

ESTIMATED REVENUE IMPACT:

FY26: No impact on state revenue but may impact local revenues.

ANALYSIS: The measure amends section 68 O.S. § 1370.9, by allowing any county to levy a 3% lodging tax for the purpose of building and maintaining county-owned facilities that promote tourism. The measure directs any revenue from the levy to a designated tourism fund of the county. Currently, only counties with a population of less than 200,000 are permitted to levy a lodging tax up to 5%.

ADMIN CONCERNS/IMPACT: The OTC shall notify and collect taxes from affected vendors for any levy under 68 O.S. § 1370.9, including the proposed HB 1104 levy, and charge counties a 0.5% service fee. Since the OTC already collects and distributes county sales and lodging taxes, any additional administrative costs should be minimal.

It should be noted that the Oklahoma Tax Commission has been collecting county lodging taxes following the guidance of an Attorney General Opinion No. 08-27 (Sept. 29, 2008), which prevents the OTC from collecting county lodging taxes in cities that enacted their own lodging taxes before the county's levy. For example, if Oklahoma County passed a lodging tax, it wouldn't apply to most cities in the county, as they already have their own lodging taxes.

2/11/25 — Huan Gong
DATE — DR. HUAN GONG, CHIEF TAX ECONOMIST

2/11/25 — Marie Schuble
DATE — MARIE SCHUBLE, DIVISION DIRECTOR

2/12/25 — Joseph P. Gappa
DATE — JOSEPH P. GAPPA, 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.