

BILL SUMMARY
1st Session of the 57th Legislature

Bill No.:	HB1404
Version:	SUBPCS
Request Number:	2001
Author:	Rep. Humphrey
Date:	2/15/2019
Impact:	Please see previous summary of this measure

Research Analysis

The subcommittee substitute for HB1404 authorizes counties to levy a severance tax on rock, gravel, granite, sand, limestone and other natural materials mined in the county by a for-profit business for the purpose of producing aggregate upon approval from the voters of the county. The tax must be used for the construction or improvement of roads and bridges and cannot exceed 10 cents per ton of material produced. If the mining or extracting of aggregates takes place within the incorporated areas of a municipality, the county and municipality where the mining took place will equally split the proceeds of the severance tax.

Upon approval of a county tax on aggregates, the Oklahoma Tax Commission is required to give notice to all relevant taxpayers of a rate change at least 60 days prior to the effective date of the rate change. Failure to provide timely notice will delay the effective date of the tax until the first day of the next calendar quarter. The measure also authorizes counties to contract with the OTC for collection and enforcement of the tax. In exchange, the OTC will charge the county a fee equal to .5 percent of the gross collection proceeds.

Prepared By: Quyen Do

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: Mark Tygret

Other Considerations

None.