

Bill Summary
1st Session of the 57th Legislature

Bill No.:	SB 477
Version:	INT
Request No.:	1254
Author:	Sen. Quinn
Date:	01/19/2019

Bill Analysis

SB 477 requires applications for the sales tax exemption provided for agricultural sales to be verified by the Oklahoma Tax Commission after November 1, 2019. Upon verification, the applicant may be issued a permit for the purchase of goods related to agriculture. Denied applicants may still apply for a refund related to the exemption within one year of the application for permit.

Prepared by: Kalen Taylor

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: February 21, 2019

BILL NUMBER: SB 477 STATUS AND DATE OF BILL: Introduced 01/16/2019

AUTHORS: House n/a Senate Quinn

TAX TYPE (S): Sales Tax SUBJECT: Exemption

PROPOSAL: Amendatory

The measure proposes an amendment to Section 1358 of Title 68 to provide that for applications for agricultural sales tax exemption permits filed on or after November 1, 2018, the Tax Commission must verify that applicant has reported farming income for income tax purposes. Such may be verified from Tax Commission records or by satisfactory proof submitted by the applicant. The measure would also allow an otherwise qualifying applicant that was denied the exemption permit to submit a claim for refund of the sales tax paid on purchases exempt pursuant to Section 1358 of Title 68. In support of the claim, a copy of their income tax return documenting the reporting of farming income must also be submitted. The period for which a claim may be filed shall be within one (1) year of the date of application for the agricultural permit. However, no claim for a refund may be filed more than two (2) years from the date of the application.

EFFECTIVE DATE: November 1, 2019

REVENUE IMPACT:

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

FY 20: Unknown increase in state sales tax revenues
FY 21: Unknown increase in state sales tax revenues

ADMINISTRATIVE IMPACT:

Insert the estimated cost or savings to the Tax Commission due to this proposed legislation.

FY 20: none

Feb. 22, 2019
DATE

Rick Miller
DIVISION DIRECTOR

msm

2-22-2019
DATE

Huan Gong
HUAN GONG, ECONOMIST

2-22-19
DATE

[Signature]
FOR THE COMMISSION

**The estimated 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.*