

**Fiscal Impact**  
1<sup>st</sup> Session of the 57<sup>th</sup> Legislature

**Bill No.:**  
**Version:**  
**Author:**  
**Date:**

**HB 2536**  
**ENGR**  
**Sen. Montgomery**  
**04/01/2019**

**Fiscal Analysis**

**OKLAHOMA TAX COMMISSION**

REVENUE IMPACT STATEMENT  
FIRST REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

**DATE OF IMPACT STATEMENT:** March 26, 2019

**BILL NUMBER:** HB 2536 **STATUS AND DATE OF BILL:** Engrossed 3/12/19

**AUTHORS:** House Blancett Senate Montgomery

**TAX TYPE (S):** Small Employer Quality Jobs **SUBJECT:** Other

**PROPOSAL:** Amendatory

HB 2536 proposes to amend 68 O.S. § 3904 relating to the *Small Employer Quality Jobs Incentive Act* by amending the out-of-state buyer rule.

**EFFECTIVE DATE:** July 1, 2019 - Emergency

**REVENUE IMPACT:**

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

FY 20: -0-  
FY 21: -0-

Mar. 26, 2019  
DATE

Rick Miller  
DIVISION DIRECTOR

mck

3-27-2019  
DATE

Huan Gong  
HUAN GONG, ECONOMIST

3-29-19  
DATE

Jim McInt  
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.*

**ATTACHMENT TO REVENUE IMPACT HB 2536 [Engrossed] Prepared: March 26, 2019**

HB 2536 proposes to amend 68 O.S. § 3904 relating to the *Small Employer Quality Jobs Incentive Act* by amending the out-of-state buyer rule.

Under current law, the out-of-state buyer rule requires that within twenty-four (24) months of the date of application for this incentive, establishments must have sales of at least seventy-five percent (75%) to:

- out-of-state customers or buyers,
- to in-state customers or buyers if the product or service is resold by the purchaser to an out-of-state customer or buyer for ultimate use, or
- to the federal government.

This measure proposes to lower the out-of-state buyer rule to thirty-five percent (35%) for the first two years and then sixty percent (60%) in all subsequent years in order to qualify for the Small Employer Quality Jobs Incentive.

No changes in revenue are anticipated as a result of this proposal due to the revenue neutral features of the *Small Employer Quality Jobs Incentive Act*.