

**BILL SUMMARY**  
1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 1927</b>
<b>Version:</b>	<b>FULLPCS2</b>
<b>Request Number:</b>	<b>7681</b>
<b>Author:</b>	<b>Rep. Martinez</b>
<b>Date:</b>	<b>2/24/2021</b>
<b>Impact:</b>	<b>Tax Commission:</b>

**Income Tax Decrease Potential:**  
**FY-22: (\$411,000,000)**

**Research Analysis**

The second proposed committee substitute for HB1927 creates a one-time \$1,000 income tax credit, for tax year 2021, for parents and legal guardians of children enrolled in public school. The tax credit shall be \$1,000 regardless of the number of children in the household.

Prepared By: Emily Wendler

**Fiscal Analysis**

Review provided by the Tax Commission:

The Proposed Committee Substitute for HB 1927 (Req. No. 7681) proposes to enact a new one-time income tax credit for the parent or legal guardian of any child residing in the household who was enrolled in pre-kindergarten through twelfth grade of any common school district<sup>1</sup> in the state, for the tax year beginning January 1, 2021.

The amount of the credit is \$1,000. The maximum credit for any parent or guardian is \$1,000 regardless of the number of children within the household enrolled in a common school district.

Data from the National Center for Education Statistics<sup>2</sup> shows approximately 411,000 households in Oklahoma with school-aged children enrolled in private or public schools in Oklahoma. Assuming all 411,000 households will claim the credit will result in an estimated decrease of revenue of \$411 million. No changes in withholding or estimated tax payments are anticipated; therefore, an estimated revenue decrease of \$411 million in income tax collections is expected in FY22 when the 2021 income tax returns are filed.

Prepared By: Mark Tygret

**Other Considerations**

None.