

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 1339</b>
<b>Version:</b>	<b>ENGR</b>
<b>Request Number:</b>	<b>NA</b>
<b>Author:</b>	<b>Rep. Strom</b>
<b>Date:</b>	<b>4/4/2022</b>
<b>Impact:</b>	<b>Tax Commission:</b>

**Sales Tax Revenue Increase:**  
**\$1,100,000**

**Research Analysis**

SB 1339 amends the definition of *marketplace facilitator* to mean a person that facilitates the sale at retail of a marketplace seller's product. *Product* is defined as tangible personal property, services, or other transactions taxable under the sales tax code. The measure extends the collection obligation of a marketplace facilitator to apply to any other taxes administered by the Oklahoma Tax Commission which are levied by local jurisdictions on the retail sale of a product.

Prepared By: Emily McPherson

**Fiscal Analysis**

Analysis provided by the Tax Commission:

Engrossed SB 1339 proposes to amend the FY 18 Budget Amendments Act (68 O.S. §§ 1391 et seq.). Under the proposal, a marketplace facilitator or a referrer that had aggregate sales of products in Oklahoma or delivered to locations in Oklahoma worth at least \$10,000 during the immediately preceding 12 months must either file an election with the Oklahoma Tax Commission (OTC) to collect and remit applicable state and local taxes or comply with related notice and reporting requirements.

Currently, the Act only applies to sales of tangible personal property, and certain of the entities facilitating Oklahoma lodging sales have voluntarily agreed to collect and remit state and local taxes, while others have not.

This proposal expands the definition of "marketplace facilitator" to mean a person that facilitates the sale at retail of a marketplace seller's product, defined as tangible personal property, services, or other transactions taxable under the Oklahoma Sales Tax Code. The proposal further clarifies that the collection obligation of a marketplace facilitator or a referrer that elects to collect and remit sales or use tax also applies to any other taxes levied by local jurisdictions on retail sales of products that are administered by the OTC.

Approximately 7,800 available rental sites in Oklahoma are listed by marketplace facilitators that have not voluntarily agreed to collect and remit state and local taxes. Retail sales for these sites during 2021 are estimated to be \$24 million. Applying the 4.5% state sales tax rate to these estimated sales results in a potential annual increase in sales tax collections of approximately \$1.1 million, beginning in FY 23.

Prepared By: Mark Tygret

**Other Considerations**

None.

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