

BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	SB1499
Version:	ENGR
Request Number:	11311
Author:	Rep. Roe
Date:	4/12/2022
Impact:	Tax Commission:

Unknown Decrease in Sales Tax Revenue

Research Analysis

SB 1499 creates the Feminine Hygiene Program, which will be administered by the State Department of Health by providing grants to local health departments for the purpose of providing feminine hygiene products, as defined in the measure, to women. The measure provides that local health departments may apply to the Department for available funds. The Department will determine award grants in an amount based on a measure of the needs of the population the local health department intends to serve.

The measure also creates the Feminine Hygiene Program Revolving Fund. The measure apportions \$1 million from sales tax revenue to the Fund starting in fiscal year 2024 and each subsequent year. The measure also creates a refundable sales tax exemption for the sale of feminine hygiene products.

Prepared By: Dan Brooks

Fiscal Analysis

Information provided by the Tax Commission:

The Proposed Committee Substitute for Engrossed SB 1499 which proposes amendment to Section 1356 of Title 68 to exempt sales of feminine hygiene products to an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and whose primary and principal purpose is to provide feminine hygiene products free of charge directly to individuals in need thereof and/or to organizations for distribution to those in need of such products. For the purposes of this paragraph, "feminine hygiene products" means tampons, panty liners, menstrual cups, sanitary napkins, and other similar tangible personal property designed for feminine hygiene in connection with the human menstrual cycle.

The proposed amendment would allow qualifying entities which have or will obtain a determination letter from the Internal Revenue Service of their tax exempt status pursuant to 26 U.S.C. § 501(c)(3) and whose primary purpose is to distribute feminine hygiene products free of charge directly to individuals in need thereof and/or to organizations for distribution to those in need of such products to purchase these products exempt from state and local sales tax.

Presently, there is one known organization that could qualify for the exemption.

Prepared By: Mark Tygret

From the Oklahoma State Dept. of Health: We estimate that this would require around 1/2 an FTE. There would also need to be some provisions for indirect costs associated with this new program area. These would not be different than other indirect costs.

We estimate around \$45k for the 1/2 FTE.

Prepared by: Stacy Johnson

Other Considerations

None.