

OKLAHOMA TAX COMMISSION

**REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT
SECOND REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE**

DATE OF IMPACT STATEMENT: February 1, 2022

BILL NUMBER: SB 1821 **STATUS AND DATE OF BILL:** Introduced 01/21/22

AUTHORS: House NA Senate Bergstrom

TAX TYPE (S): Income Tax **SUBJECT:** Administrative

PROPOSAL: New Law

SB 1821 proposes to allow charitable organizations and individuals to host and participate in qualified private wagering events. The Oklahoma Tax Commission will promulgate rules and forms for enforcing, collecting and reporting tax collections for charitable organization wagering events and for individuals to report winnings on annual tax returns.

EFFECTIVE DATE: Emergency – July 1, 2022

REVENUE IMPACT:

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

FY 23: None.

FY 24: None.

Feb. 1, 2022
DATE

Rick Miller
DIVISION DIRECTOR

bdf

2/1/2022
DATE

Huan Gong
HUAN GONG, ECONOMIST

2/2/2022
DATE

[Signature]
FOR THE COMMISSION

The 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 – SB 1821 [Introduced] Prepared 2/1/2022

SB 1821 proposes to allow charitable organizations and individuals to host and participate in qualified private wagering events. The Oklahoma Tax Commission will promulgate rules and forms for enforcing, collecting and reporting tax collections for charitable organization wagering events and for individuals to report winnings on annual tax returns.

Tax-exempt organizations involved with gaming activity are currently required to file IRS Form W-2G and withhold tax for certain winnings.¹ In addition, individuals are required to report all gambling winnings as “Other Income” on IRS Form 1040.² Because gambling winnings are already included in the federal adjusted gross income used to compute Oklahoma adjusted gross income, the proposal is not expected to impact income tax revenue.

¹ See <https://www.irs.gov/pub/irs-pdf/p3079.pdf>.

² See <https://www.irs.gov/taxtopics/tc419>.