

# OKLAHOMA TAX COMMISSION

## REVENUE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: February 9, 2021

BILL NUMBER: SB 527 STATUS AND DATE OF BILL: Introduced 1/20/21

AUTHORS: House n/a Senate Montgomery

TAX TYPE (S): Income Tax SUBJECT: Deduction

PROPOSAL: Amendatory

SB 527 proposes to enact the *Oklahoma Prosperity Act*. This measure allows for the State Treasurer to establish a program to allow covered employers to offer to covered employees an opportunity to contribute to an IRA established under the program for the benefit of the covered employee through withholding from wages.

Allowing covered employers to offer covered employees an opportunity to contribute to an IRA<sup>1</sup> established under this program for the benefit of the covered employee through withholding from wages should cause a minimal decrease in income tax collections.

EFFECTIVE DATE: November 1, 2021

### REVENUE IMPACT:

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

FY 22: Unknown minimal decrease in income tax collections.

FY 23: Unknown minimal decrease in income tax collections.

Feb. 9, 2021  
DATE

Rick Miller  
DIVISION DIRECTOR

mck

2/9/2021  
DATE

Huan Gong  
HUAN GONG, ECONOMIST

2/9/21  
DATE

[Signature]  
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.*

<sup>1</sup> IRAs generally qualify for favorable federal and state income tax treatment under Sections 408 and 408A of The Internal Revenue Code