

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	HB2318
Version:	CS
Request Number:	7956
Author:	McBride
Date:	3/8/2023
Impact:	OTC Analysis:
	FY24: \$10 million revenue decrease
	FY25: \$25 million revenue decrease

Research Analysis

Pending

Prepared By: House Research Staff

Fiscal Analysis

In its current form, HB 2318 extends the Oklahoma Equal Opportunity Education Scholarship tax credit to cover contributions made to eligible college and university foundations.

Total credits for all taxpayers are not to exceed \$25 million annually, and the tax credit amount is capped at \$6 million per public higher education institution. The committee substitute should not change the fiscal impact of the bill.

The Oklahoma Tax Commission provides the following information regarding the fiscal impact of this bill:

Revenue Impact

Oklahoma has approximately 28 public colleges and universities, of which most have at least one eligible higher education institution foundation. Contributions to higher education institution foundations already occur under current law.⁵ Assuming similar contributions for tax year 2024 results in a decrease of income tax revenue of \$25 million in tax year 2024. A decrease in withholding and estimated tax payments would be expected. The potential impact is a decrease of \$10 million for FY 24 and \$25 million in FY25.

Prepared By: Zachary Penrod, House Fiscal Staff

Other Considerations

None.