

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	HB2898
Version:	PCS1
Request Number:	8380
Author:	Rep. Wallace
Date:	5/16/2023
Impact:	See Analysis Below

Research Analysis

The proposed committee substitute for HB2898 offers any tribe with an existing tobacco products sales tax compact the ability to accept supplemental terms to the compact agreement. The supplemental terms affirm the existing compact agreement, extends the agreement date until January 1, 2028 and states that the state cannot withdraw from the compact prior to January 1, 2028.

Tribes with a tobacco compact agreement that was in effective as of January 1, 2019 but expired prior to the effective date of the act may also restore their compact agreement and accept the supplemental terms to extend the compact agreement until January 1, 2028.

The measure also offers the same affirmation and extension for any motor fuel sales tax contract between the state a tribe until fiscal year 2028.

A tribe that accepts the supplemental terms or restoration terms must submit a letter to the Oklahoma Tax Commission. The letter will be filed with the Secretary of State's Office.

Prepared By: Quyen Do

Fiscal Analysis

This measure allows for the extension of Tribal Compacts Tobacco Product Sales Tax. Keeping a compact sharing sales tax on tobacco products allows the state to continue receiving revenues it relies on for the state budget. Without the continuation of these compacts, there would be a decrease in state revenues, affecting the state budget.

Prepared By: Mariah Searock, House Fiscal Staff

Other Considerations

None.