

BILL SUMMARY
2nd Session of the 59th Legislature

| | |
|------------------------|--|
| Bill No.: | HB3429 |
| Version: | SUBREC |
| Request Number: | 10264 |
| Author: | Rep. Archer |
| Date: | 2/22/2024 |
| Impact: | FY25: \$305,000 decrease in revenue |

Research Analysis

The subcommittee recommendation for HB3429 establishes a sales tax holiday prior to the start of the annual deer gun season, which will be determined by the Oklahoma Department of Wildlife Conservation. During the designated exemption period, sales of rifle ammunition for deer hunting is exempt from sales tax when the purchase is less than \$100.

Prepared By: Quyen Do

Fiscal Analysis

In its current form, HB3429 proposes to exempt rifle firearm ammunition from Oklahoma state sales tax when the ammunition is designed to be used in connection with hunting deer and if the sales price of the ammunition is less than \$1000.00 and if the sale occurs within the designated time frame outlined in the measure.

The subcommittee recommendation modifies the sales price of ammunition from \$100.00 to \$1000.00 and clarifies that this exemption exists during the weekend before *annual* deer gun season is to begin.

Analysis from the Oklahoma Tax Commission:

This memo outlines the potential revenue impact of HB 3429 Subcommittee Recommendations (SCR), which proposes to exempt from state sales tax rifle firearm ammunition designed to be used in connection with hunting deer if 1) the sales price of the ammunition is less than \$1000, and 2) if the sale occurs at 12:01 A.M. on the Friday before annual deer gun season begins and ends on midnight the following Sunday.

Currently, all forms of ammunition are subject to Oklahoma sales tax pursuant to 68 O.S. § 1354(A).

The measure is anticipated to result in an estimated decrease of \$305,000 in state sales tax revenues for FY 25.

Prepared By: Zach Penrod

Other Considerations

None.