

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	SB132
Version:	ENGR
Request Number:	
Author:	Rep. Lepak
Date:	4/4/2023
Impact:	OTC Analysis:
	FY24: \$4.4 million
	FY25: \$6.6 million

Research Analysis

Engrossed SB132 gives state licensing entities discretion to decide whether or not to renew a state license when it is notified by the Oklahoma Tax Commission that a licensee is noncompliant with state income tax laws. Current law requires the licensing entity to not renew the license of a noncompliant taxpayer.

Prepared By: Quyen Do

Fiscal Analysis

In its current form, SB132 removes the requirement that a person holding a state license must be in compliance with Oklahoma income tax laws, and gives state licensing entities discretion to decide whether or not to renew a state license when it is notified buy the Oklahoma Tax Commission that a licensee is not in compliance with state income tax laws.

The Oklahoma Tax Commission has provided the following:

For FY 22, the OTC notified 39,618 licensees that compliance could not be determined:

Return Status	Count	Amount
No Return/Missing Return	34,434	\$ -
Return Filed with a Balance Due	3,854	11,295,580.52
Missing Return and Balance Due for Another Tax Period	1,330	3,370,361.38
Totals	39,618	\$ 14,665,941.90

As a result of these efforts, the OTC collected approximately \$6.6 million from delinquent licensees for FY 22. Assuming similar activity, the revenue impact of repealing 68 O.S. § 238.1 is an estimated decrease of \$4.4 million for FY 24 (November 23 through June 2024) and \$6.6 million for FY 25.

Prepared By: House Fiscal Staff

Other Considerations

None.

