

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-NINTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: March 28, 2023

BILL NUMBER: HB 1967 **STATUS AND DATE OF BILL:** Engrossed 03/23/2023

AUTHORS: House: Newton Senate: Jech

TAX TYPE (S): County Sales **SUBJECT:** Other

PROPOSAL: New

The measure allows any county of this state to levy a sales tax not to exceed one percent (1%) upon the gross proceeds or gross receipts derived from all sales in the county upon which a consumer's sales tax is levied by the state. The proceeds of the sales tax levy shall be used solely for the purposes of funding emergency medical services.

EFFECTIVE DATE: November 1, 2023

REVENUE IMPACT:

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

FY 24: None (See Attached)

FY 25: None (See Attached)

March 30, 2023

DATE

Rick Miller

DIVISION DIRECTOR

msm

3/30/2023

DATE

Huan Gong

HUAN GONG, ECONOMIST

3/31/2023

DATE

Joseph P Gappa

FOR THE COMMISSION

The 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.

ATTACHMENT TO REVENUE IMPACT HB 1967 [Engrossed] Prepared 03/23/2023

The measure allows any county of this state to levy a sales tax not to exceed one percent (1%) upon the gross proceeds or gross receipts derived from all sales in the county upon which a consumer's sales tax is levied by the state. The proceeds of the sales tax levy shall be used solely for the purposes of funding emergency medical services.

The measure will have no impact on state sales tax collections. However this measure provides an inconsistent tax base for purposes of state and local sales taxation by not including "services" in the proposed county sales tax levy. Consequently, the proposed levy would not be applicable to services such as telecommunications services that are currently subject to Oklahoma state sales tax.

With certain exceptions which are not applicable here, for purposes of contracting with the state to collect county sales tax and compliance with the Streamlined Sales and Use Tax Agreement, the county tax base must mirror the state's base. To remedy the described inconsistency, services would need to be added to the measure in a similar fashion as the Introduced version of HB 1967 or as provided in other county sales tax levies, 68 O.S. §§ 1370 through 1370.8.