

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: 12/29/2023

BILL NUMBER: SB 1402 **STATUS AND DATE OF BILL:** Introduced 12/15/2023

AUTHORS: House: n/a Senate: Hall

TAX TYPE(S): Motor Vehicle **SUBJECT:** Apportionment

PROPOSAL: Amendatory

SB 1402 proposes to amend 47 O.S. § 1104 by increasing the cap on apportionment to the County Improvements for Roads and Bridges Fund to \$200,000,000 beginning in FY 2025.

EFFECTIVE DATE: Emergency – July 1, 2024

REVENUE IMPACT:

Dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation:

FY 25: see attached.

1/2/24

DATE

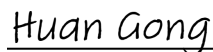


MARIE SCHUBLE, DIVISION DIRECTOR

caj

1/2/24

DATE



HUAN GONG, ECONOMIST

1/2/2024

DATE



JOE 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 FISCAL IMPACT - SB 1402 - [Introduced] - Prepared 12/29/23

CURRENT LAW:

Pursuant to 47 O.S. § 1104, the cap for the County Improvements for Roads and Bridges Fund (CIRB) is set at \$135 million for FY 25, \$140 million for FY 26, \$145 million for FY 27, and \$150 million for each fiscal year following. If the cap is reached, excess funds are apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund (ROADS). For FY 25, the CIRB fund is expected to exceed its current cap by \$22.6 million, which would be apportioned to the ROADS fund.

PROPOSED AMENDMENTS:

SB 1402 proposes to amend 47 O.S. § 1104 by increasing the cap on apportionment to the CIRB fund to \$200 million beginning in FY 25.

ANTICIPATED IMPACT:

The CIRB fund is not expected to meet its cap at the \$200 million threshold in FY 25, which results in no excess CIRB funding being apportioned to the ROADS fund. After all other allocations to the ROADS fund are made, individual income tax dollars are apportioned to the ROADS fund until it meets its annual \$590 million cap. Therefore, any reduction in apportionment from the CIRB fund is made up for with income tax dollars that could have otherwise been apportioned to other funds, including the General Revenue Fund. The proposed measure is expected to result in an increase in state revenues deposited to the CIRB fund with a decrease in income tax collections deposited to other funds, including the General Revenue Fund, beginning in FY 25.

There is no impact to state tax collections.