

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: January 17, 2023

BILL NUMBER: SB 386 **STATUS AND DATE OF BILL:** Introduced 1/15/23

AUTHORS: House: n/a Senate: Rader

TAX TYPE (S): Income Tax **SUBJECT:** Credit

PROPOSAL: New Law and Amendatory

SB 386 proposes to create a new income tax credit for the purchase of naloxone to be used in retail or service establishments open to the public, effective for tax year 2024 and subsequent tax years. The credit is equal to the price paid for no more than two doses of naloxone for each establishment owned by the taxpayer for each tax year when purchased by the taxpayer at a pharmacy licensed in Oklahoma. Any credits claimed but not used may be carried over in order to each of the three subsequent tax years. The proposal further amends the Good Samaritan Act under 76 O.S. § 5 to include the administration of naloxone.

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.

FY 25: Unknown decrease in income tax revenue.

Jan. 20, 2023
DATE

Rick Miller
DIVISION DIRECTOR

bf

1/25/2023
DATE

Huan Gong
HUAN GONG, ECONOMIST

1/31/2023
DATE

Joseph P. Hays
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 - SB 386 [Introduced] Prepared 1/17/23

SB 386 proposes to create a new income tax credit for the purchase of naloxone to be used in retail or service establishments open to the public, effective for tax year 2024 and subsequent tax years. The credit is equal to the price paid for no more than two doses of naloxone for each establishment owned by the taxpayer for each tax year when purchased by the taxpayer at a pharmacy licensed in Oklahoma. To qualify for the credit, a taxpayer must provide the Oklahoma Tax Commission the name and address of each establishment for which the doses of naloxone were purchased and the receipt of sale. Any credits claimed but not used may be carried over in order to each of the three subsequent tax years.

This proposal further amends the Good Samaritan Act under 76 O.S. § 5 to include the administration of naloxone.

Naloxone (brand name Narcan) is an opioid antagonist used to reverse an opioid overdose that can be given as an injection or as a nasal mist. On January 17, 2023, Walgreens provided the following price information:

- Generic naloxone - \$98.49 for 2 doses
- Narcan - \$135.99 for 2 doses

The number of taxpayers who may qualify for the proposed credit is unknown. Due to a lack of data, the revenue impact of this proposal is an unknown decrease in income tax revenue for FY 25 when the 2024 returns are filed.