

# OKLAHOMA TAX COMMISSION

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

**DATE OF IMPACT STATEMENT:** February 3, 2023

**BILL NUMBER:** SB 477 **STATUS AND DATE OF BILL:** Introduced 1/17/23

**AUTHORS:** House: n/a Senate: Paxton

**TAX TYPE (S):** Gross Production **SUBJECT:** Emissions Reduction Act

**PROPOSAL:** Amendatory

SB 477 proposes to amend 68 O.S. § 55009 by increasing the annual cap on rebates for qualified emissions reductions projects from \$10,000,000 to \$25,000,000.

**EFFECTIVE DATE:** Emergency - July 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: potential decrease to GR Funds up to \$25,000,000

Feb 6, 2023  
DATE

Rick Miller  
DIVISION DIRECTOR

cj

2/6/2023  
DATE

Huan Gong  
HUAN GONG, ECONOMIST

2/8/2023  
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 FISCAL IMPACT - SB 477 - [Introduced] - Prepared 02/03/23**

SB 477 proposes to amend 68 O.S. § 55009 by increasing the annual cap on rebates for qualified emissions reductions projects from \$10,000,000 to \$25,000,000.

The Oklahoma Emission Reduction Technology Act was created in 2022 via HB 3568. The Act allows for rebates to be issued in the amount of up to 25% of documented expenditures made in this state directly attributable to the implementation of a qualified Emission Reduction Project. Claims shall be paid from the Oklahoma Emission Reduction Technology Incentive Revolving Fund, which currently stands unfunded. Funding may be made from any public or private donations, contributions, and gifts received for the benefit of the fund and any amounts appropriated by the Oklahoma Legislature designated for deposit in the fund.

Because the program is still new, the actual fiscal impact is unknown. However, SB 477 creates a potential decrease to general revenue funds up to \$25,000,000 annually pending the Legislature's approval of an appropriation to the Oklahoma Emission Reduction Technology Incentive Revolving Fund for the purpose of implementing these rebates.