

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 583 **STATUS AND DATE OF BILL:** Introduced 1/17/23

AUTHORS: House: n/a Senate: Montgomery

TAX TYPE (S): Ad Valorem **SUBJECT:** Ad Valorem Reimbursement

PROPOSAL: Amendatory

SB 583 proposes to amend 62 O.S. § 193 by requiring the Tax Commission to submit two yearly reports on the status of the Ad Valorem Reimbursement Fund to the Chair of the Appropriations Committee of the Senate and the Chair of the Appropriations and Budget Committee of the House of Representatives. The report shall include 1) total reimbursement payments for the year; 2) total claims remaining unpaid for each exemption, and the date the most recent claim was paid; and 3) an estimate of how many claims will be paid in the next year for each exemption.

EFFECTIVE DATE: Emergency- Upon passage and approval

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: none

ADMINISTRATIVE IMPACT:

Insert the estimated cost or savings to the OTC due to this proposed legislation.

FY 24: minimal

February 11, 2023

DATE

Rick Miller

DIVISION DIRECTOR

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2/13/2023

DATE

Huan Gong

HUAN GONG, ECONOMIST

2/13/2023

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 583 - [Introduced] - Prepared 02/03/23

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The OTC does not anticipate SB 583 to have a fiscal impact on state revenues.

Also, additional resources may be needed to provide the proposed reports resulting in minimal administrative costs to be incurred by the Tax Commission.

Currently, the OTC is able to provide total claim information for the exemptions subject to reimbursement along with any application of appropriated funds and the 1% of income tax revenues apportioned to the Fund. Information provided in the proposed reports will relate to current year reimbursement claims filed for exemptions approved for the immediately preceding tax year. For example, the reports submitted in April 2024 and December 2024 will include information for tax year 2023. Exemption information for the current 2024 tax year would not be complete and therefore could not be included in the referenced reports.