

# OKLAHOMA TAX COMMISSION

## REVENUE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-NINTH OKLAHOMA LEGISLATURE

**DATE OF IMPACT STATEMENT:** February 14, 2023

**BILL NUMBER:** SB 747 **STATUS AND DATE OF BILL:** Committee Sub 2/13/23

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

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

**PROPOSAL:** Amendatory

SB 747 proposes to amend 68 O.S. § 2358.7 to increase the existing income tax credits for volunteer firefighters. Currently, income tax credits for volunteer firefighters are \$200 and \$400, depending on certification and completion of continuing education. Under the proposal, the credit amounts are increased to \$300 and \$600, effective for tax year 2024 and subsequent tax years.

**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: Estimated decrease of \$456,000 in income tax revenue.

February 23, 2023

DATE

Rick Miller

DIVISION DIRECTOR

bf

2/23/2023

DATE

Huan Gong

HUAN GONG, ECONOMIST

2/24/2023

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 – SB 747 [Introduced] Prepared 2/14/23**

SB 747 proposes to amend 68 O.S. § 2358.7 to increase the existing income tax credits for volunteer firefighters. Currently, income tax credits for volunteer firefighters are \$200 and \$400, depending on certification and completion of continuing education. Under the proposal, the credit amounts are increased to \$300 and \$600, effective for tax year 2024 and subsequent tax years.

OTC records indicate 2,205 taxpayers claimed the existing Volunteer Firefighter Credit for tax year 2020 for a total credit of approximately \$764,000. If credits are increased under the proposal, the expected revenue impact is an estimated \$456,000 decrease in income tax revenue, beginning for FY 25 when the 2024 returns are filed.