



<b>BILL/VERSION:</b>	SB 1112 / INTRODUCED	<b>ANALYST:</b> MM
<b>AUTHORS:</b>	Sen. Rader	<b>DATE:</b> 1/27/2025
<b>TAX(ES):</b>	County/Municipal Lodging	
<b>SUBJECT(S):</b>	Lodging Tax	
<b>EFFECTIVE DATE:</b>	January 1, 2026	<b>Emergency</b> <input type="checkbox"/>

**ESTIMATED REVENUE IMPACT:**  
**FY26: No impact to state revenue, unknown impact to local revenues.**  
**FY27: No impact to state revenue, unknown impact to local revenues.**

**ANALYSIS:** This measure would require lodging facilities to charge and collect county and municipal lodging taxes based on gross receipts before applying any discounts or providing complimentary rooms, unless reimbursed by a third party. Currently, lodging taxes are calculated on the discounted amount for sales, county, and municipal lodging tax purposes. There is no impact on state tax collections.

**ADMIN CONCERNS:** The bill will introduce different collection calculations for various tax types. Currently, county lodging taxes are administered by the Oklahoma Tax Commission (OTC), requiring lodging providers to apply the appropriate county tax rate to the same gross receipts as their sales tax. This also applies to the 30 municipalities that have contracted with the OTC to collect their local lodging taxes. The proposal may create inconsistencies by requiring county lodging and sales taxes to be handled differently for discounted rooms.

<u>2/19/25</u>	<u>Huan Gong</u>
DATE	DR. HUAN GONG, CHIEF TAX ECONOMIST
<u>2/19/25</u>	<u>Marie Schuble</u>
DATE	MARIE SCHUBLE, DIVISION DIRECTOR
<u>2/19/25</u>	<u>Joseph P. Gappa</u>
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.*