



BILL/VERSION: SB 49 / INTRODUCED

ANALYST: BS

AUTHORS: Sen. Rader

DATE: 12/18/2024

TAX(ES): Sales Tax

SUBJECT(S): Exemption

EFFECTIVE DATE: Nov. 1, 2025

Emergency

ESTIMATED REVENUE IMPACT:

FY26: \$24,000 decrease in state sales tax collections.

FY27: \$43,000 decrease in state sales tax collections.

ANALYSIS: SB 49 proposes to amend 68 O.S. § 1356 by exempting from the state sales tax levy sales of tangible personal property and services to a 501(c)(3) organization whose principal functions are to prevent child abuse and neglect and operates a facility that offers such services.

Presently, one potentially qualifying entity has been identified. In FY 24, it paid an estimated \$76,000 in state and local sales taxes, of which \$39,520 is attributed to state sales tax. Assuming similar taxable expenditures for FY26 and FY27, and accounting for inflation¹, results in an estimated decrease in state sales tax collections of \$24,000 for FY26 (a November 1, 2025 effective date impacting approximately 7 months of sales tax collections) and \$43,000 for FY27.

¹ S&P Global Market Intelligence/US Forecast Flash, December 31, 2024 [PCE price excl. food & energy: 2.9% for FY25, 3.0% for FY26 and 1.9% for FY27].

1/13/25

DATE

Huan Gong

DR. HUAN GONG, CHIEF TAX ECONOMIST

1/14/25

DATE

Marie Schuble

MARIE SCHUBLE, DIVISION DIRECTOR

1/16/2025

DATE

Joseph P. Gappa

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.