

BILL SUMMARY
1st Session of the 60th Legislature

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| Bill No.: | HB1572 |
| Version: | Introduced |
| Request Number: | 10971 |
| Author: | Rep. Lawson |
| Date: | 2/20/2025 |
| Impact: | FY-26 Impact to GR: -\$9,957,000 |
| | FY-27 Impact to GR: -\$11,320,000 |

Research Analysis

HB1572 increase, from .87 percent to 1 percent, the allocation of sales and use tax to the following tourism funds beginning FY 2026:

- the first \$6.6 million of collections will go to the Oklahoma Route 66 Commission Revolving Fund;
- 36 percent of the remaining funds will go to the Oklahoma Tourism Promotion Revolving Fund; and
- 64 percent of the other remaining funds will go to the Oklahoma Tourism Capital Improvement Revolving Fund.

As a result, the allocation of sales and use tax to the General Revenue Fund is proportionately decreased beginning FY 2026.

The measure also sets a 20 percent limit on the use of funds within the Oklahoma Tourism Promotion Fund for OTRD operations and removes the prohibition on paying wages and salaries from the fund.

Prepared By: Quyen Do

Fiscal Analysis

HB 1572 modifies the apportionment structure of state sales and use tax that is apportioned to the Oklahoma Tourism Promotion Revolving Fund and the Oklahoma Tourism Capital Improvement Revolving Fund. The Oklahoma Tax Commission has provided the following summary regarding the impact to the General Revenue Fund of these modifications:

| | General Revenue Fund | Oklahoma Tourism Promotion Revolving Fund | Oklahoma Tourism Capital Improvement Revolving Fund |
|------------------------|-----------------------------|--|--|
| State Sales Tax | Decrease | Increase | Increase |
| FY26 | \$5,272,000 | \$1,938,000 | \$3,334,000 |
| FY27 | \$6,242,000 | \$2,287,000 | \$3,955,000 |
| FY28 | \$6,894,000 | \$2,522,000 | \$4,372,000 |
| State Use Tax | Decrease | Increase | Increase |
| FY26 | \$4,685,000 | \$1,695,000 | \$2,991,000 |
| FY27 | \$5,078,000 | \$1,836,000 | \$3,242,000 |
| FY28 | \$5,737,000 | \$2,073,000 | \$3,664,000 |

Note: Details may not add due to rounding.

Prepared By: Jay St Clair, House Fiscal Staff

Other Considerations

None.

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