

**BILL SUMMARY**  
1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 1842</b>
<b>Version:</b>	<b>INT</b>
<b>Request Number:</b>	<b>7119</b>
<b>Author:</b>	<b>Rep. Waldron</b>
<b>Date:</b>	<b>2/11/2021</b>
<b>Impact:</b>	<b>Tax Commission:</b>

**Sales Tax Revenue Decrease:**  
**FY-22: (\$22,000)**

**Research Analysis**

HB 1842 provides a sales tax exemption for sales of personal property or services to a nonprofit entity that owns or owns and operates a museum that educates about aviation, aircraft, rocketry or exploration of space.

Prepared By: Emily McPherson

**Fiscal Analysis**

From the Tax Commission:

The measure proposes to amend 68 O.S. § 1356 by exempting from the sales tax levy, sales of tangible personal property to a nonprofit entity that owns and operates a museum with the principal purpose to educate persons about the history of aviation, the design and construction of aircraft, the history and science of rocketry, the history of the United States space program, the design and construction of vehicles capable of being placed into an orbit around the Earth or vehicles capable of escaping Earth's gravity for purposes of gathering information about the solar system or areas beyond the solar system and which provides educational information on a variety of topics related to aviation and either manned or unmanned exploration of space.

Presently, there is one known organization that is not exempted by other statutory provisions, which could qualify for the proposed sales tax exemption. Information received from the entity indicates that state sales tax in the amount of \$21,052 was paid on its purchases of utilities and other sales taxable items for FY 19. Application of inflation rate adjustments of 1.2%<sup>1</sup> results in an estimated decrease in state sales tax collections of \$21,819 for FY 22.

<sup>1</sup> Based on latest version of the Consumer Price Index-All Urban Consumers

Prepared By: Mark Tygret

**Other Considerations**

None.

