

**BILL SUMMARY**  
1<sup>st</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB314</b>
<b>Version:</b>	<b>SUBREC</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. Moore</b>
<b>Date:</b>	<b>4/12/2023</b>
<b>Impact:</b>	<b>See Below</b>

**Research Analysis**

The subcommittee recommendation for SB314 modifies the maximum apportionment of sales tax revenues to the Oklahoma Tourism Promotion Revolving Fund. The cap is increased from \$5 million to \$6 million beginning FY 2025, \$6.5 million for FY 2026 and \$7.5 million for FY 2027 and subsequent years.

The measure also modifies the sales and use tax apportionments to the Oklahoma Tourism Capital Improvement Revolving Fund by tying the maximum apportionment to the amount recommended in the activities report compiled by the Oklahoma Tourism and Recreation Commission beginning FY 2024.

The measure also requires information on asset valuations and apportionment recommendations to be included in the activities report compiled by the commission. The commission is also required to provide the Oklahoma Tax Commission with the annual maximum apportionment figures by July 1 of each fiscal year.

Prepared By: Quyen Do

**Fiscal Analysis**

In its current form, SB314 modifies the cap placed upon state sales tax revenues deposited to the Oklahoma Tourism Promotion Revolving Fund.

The Oklahoma Tax Commission provides the following regarding the fiscal impact of the bill:

The measure proposes amendment to 68 O.S. § 1353 by increasing the current cap of Five Million Dollars (\$5,000,000) placed upon state sales tax revenues deposited to the Oklahoma Tourism Promotion Revolving Fund to Six Million Dollars (\$6,000,000) for FY 25, Six Million Five Hundred Thousand Dollars (\$6,500,000) for FY 26, and Seven Million Five Hundred Thousand Dollars (\$7,500,000) for FY 27 and subsequent fiscal years.

Based on the Oklahoma Tax Commission's February, 2023 forecast, a total of \$3,205,267,000 in sales tax revenues are expected to be apportioned in FY 24.

Assuming a similar outcome for FY 25, FY 26 and FY 27 yields the following results:

FY 25

\$1,000,000 decrease in state sales tax apportioned to the General Revenue Fund with an increase of \$1,000,000 in state sales tax apportioned to the Oklahoma Tourism Promotion Revolving Fund.

FY 26

\$1,500,000 in decrease in state sales tax apportioned to the General Revenue Fund and an increase of \$1,500,000 in state sales tax apportioned to the Oklahoma Tourism Promotion Revolving Fund,

FY 27

\$2,500,000 decrease in apportionment to the General Revenue Fund with an increase of \$2,500,000 in apportionment to the Oklahoma Tourism Promotion Revolving Fund.

As these are capped apportionments, the greatest fiscal impact each fiscal year is the new increased cap, if the cap is reached.

The subrecommendation should not change the fiscal impact of the bill.

Prepared By: Zachary Penrod, House Fiscal Staff

### **Other Considerations**

None.