

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-NINTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: January 19, 2023

BILL NUMBER: SB 586 **STATUS AND DATE OF BILL:** Introduced 1/17/2023

AUTHORS: House n/a Senate Montgomery

TAX TYPE (S): Income Tax **SUBJECT:** Credit

PROPOSAL: Amendatory

SB 586 proposes to amend 68 O.S. § 2357.22, which provides an income tax credit for investments in qualified clean-burning motor vehicle fuel property placed in service on or after January 1, 1991. Under the proposal, a hydrogen fuel cell electric vehicle must be registered in Oklahoma to be considered qualified clean-burning motor vehicle fuel property.

EFFECTIVE DATE: November 1, 2023

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 24: None.

FY 25: None.

Jan. 20, 2023
DATE

Rick Miller
DIVISION DIRECTOR

bf

1/25/2023
DATE

Huan Gong
HUAN GONG, ECONOMIST

1/31/2023
DATE

Joseph P. Sawyer
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.

ATTACHMENT TO REVENUE IMPACT - SB 586 [Introduced] Prepared 1/19/23

SB 586 proposes to amend 68 O.S. § 2357.22, which provides an income tax credit for investments in qualified clean-burning motor vehicle fuel property placed in service on or after January 1, 1991.

Currently, qualified clean-burning motor vehicle fuel property includes a motor vehicle originally equipped so that the vehicle may be propelled by a hydrogen fuel cell electric fueling system (effective for tax years 2010 and 2023 through 2028). Under the proposal, a hydrogen fuel cell electric vehicle must be registered in Oklahoma to be considered qualified clean-burning motor vehicle fuel property, excluding non-road vehicles (e.g. forklift, golf cart, etc.) from qualifying for the credit.

U.S. Department of Energy records indicate that no hydrogen vehicles were registered in Oklahoma in 2021,¹ and there is no revenue impact expected as a result of the proposal.

¹ See <https://afdc.energy.gov/states/ok>.