

1 ENGROSSED HOUSE  
2 BILL NO. 4142

By: Wallace, Hilbert, Fugate  
and Hill of the House

3 and

4 Thompson and Rader of the  
5 Senate

6  
7 An Act relating to the Oklahoma Tax Commission;  
8 amending 68 O.S. 2011, Section 118, as amended by  
9 Section 532, Chapter 304, O.S.L. 2012 (68 O.S. Supp.  
10 2019, Section 118), which relates to information to  
11 be provided to legislators based on written requests;  
12 requiring certain analysis and methodology be  
13 provided upon request; and eliminating requirement  
14 related to certain written explanations.

15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. AMENDATORY 68 O.S. 2011, Section 118, as  
17 amended by Section 532, Chapter 304, O.S.L. 2012 (68 O.S. Supp.  
18 2019, Section 118), is amended to read as follows:

19 Section 118. A. Upon receipt of a written request from a  
20 member or employee of the Legislature, the Oklahoma Tax Commission  
21 shall provide:

22 1. A written estimate of the revenue gain or loss to the state  
23 as a result of an actual or proposed change to a state tax law; and

24 2. A written statement of the Tax Commission's recommendation  
to the State Board of Equalization as to the change in the amount

1 certified as available for appropriation by the Legislature as a  
2 result of an actual or proposed change to a state tax law; and

3 3. A written statement outlining all analysis and methodology  
4 provided by or made available by the Tax Commission to the State  
5 Board of Equalization for the purpose of influencing or serving as  
6 the basis for an official action of the State Board of Equalization.

7 The Tax Commission shall provide such estimate and statement  
8 within two (2) weeks of the date the request was received unless the  
9 member or employee of the Legislature specifies an earlier date. ~~If~~  
10 ~~the Tax Commission determines that it is unable to provide such~~  
11 ~~estimate and statement within the time period required by this~~  
12 ~~section, it shall provide a written explanation and date by which~~  
13 ~~the estimate and statement will be provided to the member or~~  
14 ~~employee.~~

15 B. On or after December 31, 2009, and subject to the  
16 availability of funds, the Tax Commission shall develop the  
17 estimates and statements required by subsection A of this section  
18 utilizing a dynamic revenue estimating model. Such model shall take  
19 into consideration changes in economic activity as a result of the  
20 proposed legislation and consequent revenue gains or losses due to  
21 factors such as taxpayer behavior, employment and business  
22 investment. The Tax Commission may, subject to the laws of this  
23 state relating to confidentiality of information, contract with  
24 institutions of higher education in this state or other entities to

1 perform its duties as set forth in this subsection. The Tax  
2 Commission is authorized to promulgate rules to carry out the  
3 implementation of this section.

4 C. For the purpose of providing an annual forecast of gross  
5 production tax revenues from the production of natural and  
6 casinghead gas to the Office of Management and Enterprise Services,  
7 the Tax Commission shall subscribe to appropriate reference  
8 materials which provide economic outlook of future gas prices that  
9 have most closely followed the historical trend of Oklahoma gas  
10 prices. To determine the average differential between the published  
11 forecasted prices and Oklahoma gas prices, the Tax Commission shall  
12 compare prices in at least twenty-four (24) of the immediate thirty-  
13 six (36) previous months of production. The Tax Commission shall  
14 utilize the procedures provided herein to forecast the collection of  
15 gross production tax revenues from the production of natural and  
16 casinghead gas for the fiscal year beginning July 1, 2005, and each  
17 fiscal year thereafter.

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1 Passed the House of Representatives the 13th day of May, 2020.

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4 Presiding Officer of the House  
of Representatives

5 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2020.

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9 Presiding Officer of the Senate