

Fiscal Impact
1st Session of the 57th Legislature

Bill No.:
Version:
Author:
Date:

HB 2352
CS
Sen. Bice
03/21/2019

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT
FIRST REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: March 19, 2019

BILL NUMBER: HB 2352 **STATUS AND DATE OF BILL:** Engrossed 3/07/2019

AUTHORS: House Caldwell Senate Bice

TAX TYPE (S): Use Tax **SUBJECT:** Administrative

PROPOSAL: Amendatory

Section one proposes amendment to Section 1392 of Title 68 to remove statutory language which gives remote sellers the option to either collect and remit Oklahoma tax, or elect to notify their customers that use tax may be due, and report sales information to the Oklahoma Tax Commission. Section 1392 of Title 68 is also amended to raise the annual taxable sales threshold which triggers the requirement for remote sellers to collect and remit Oklahoma tax from \$10,000 to \$100,000. Further the proposed amendatory language in Section one clarifies tax collection and reporting requirements of a Marketplace Facilitator for its own sales and third-party sales made through the facilitator's website or other forum.

Sections two through five propose amendment to Sections 1393, 1394, 1395 and 1396 of Title 68 consistent with the remote seller amendments outlined in Section one.

EFFECTIVE DATE: Emergency – July 1, 2019

REVENUE IMPACT:

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

FY 20: Unknown increase in sales/use tax revenues

Mar. 19, 2019
DATE

Rick Miller
DIVISION DIRECTOR

msm

3-19-2019
DATE

Huan Gong
HUAN GONG, ECONOMIST

3.20.19
DATE

Jay Mott
FOR THE COMMISSION

The estimated 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 –HB 2352 – [Engrossed] – Prepared 03/19/2019

Section one proposes amendment to Section 1392 of Title 68 to remove statutory language which gives remote sellers the option to either collect and remit Oklahoma tax, or elect to notify their customers that use tax may be due, and report sales information to the Oklahoma Tax Commission. Section 1392 of Title 68 is also amended to raise the annual taxable sales threshold which triggers the requirement for remote sellers to collect and remit Oklahoma tax from \$10,000 to \$100,000. Further the proposed amendatory language in Section one clarifies tax collection and reporting requirements of a Marketplace Facilitator for its own sales and third-party sales made through the facilitator's website or other forum.

Sections two through 5 propose amendment to Sections 1393, 1394, 1395 and 1396 of Title 68 consistent with the remote seller amendments outlined in Section one.

Under the proposed amendments all remote sellers meeting the annual Oklahoma taxable sales threshold would be required to collect, report and remit sales/use tax on all Oklahoma sales. Consequently, it is estimated that these amendments, if enacted, will result in an increase in state sales/use tax collections the amount of which is unknown. There is no impact to state revenues estimated to occur as a result of the remaining amendments proposed in the measure.