

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	HB2695
Version:	Introduced
Request Number:	5393
Author:	Kendrix
Date:	2/17/2023
Impact:	OTC Analysis:
	FY24: \$55.07 million decrease in revenues

Research Analysis

HB2695, as introduced, ends the assessment of franchise tax and any associated reporting beginning tax year 2024.

Prepared By: Quyen Do

Fiscal Analysis

HB2695, as introduced, proposes to eliminate the Oklahoma franchise tax and the requirement to file a franchise tax return. This measure is expected to decrease state revenues by \$55.07 million for FY24.

As provided by the Oklahoma Tax Commission:

HB 2695 proposes to eliminate the Oklahoma franchise tax levied under 68 O.S. § 1203 and § 1204 effective for tax year 2024 and subsequent tax years.¹ This measure also eliminates the requirement to file a franchise tax return under 68 O.S. § 1210 which includes a statement under oath reporting the entity's president, secretary or managing officer, or managing agent in this state.²

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: Decrease in franchise tax collections of \$55.07 million³

Prepared By: Zachary Penrod, House Fiscal Staff

Other Considerations

None.