

BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	HB3961
Version:	CCR A
Request Number:	11133
Author:	Rep. Echols
Date:	5/23/2024
Impact:	No Impact

Research Analysis

CCR A to HB3961 establishes a sales tax deduction beginning tax year 2024 for corporations that are approved by the Oklahoma Broadband Office to receive ARPA funds for broadband equipment and services.

Prepared By: Quyen Do

Fiscal Analysis

In its current form, HB 3961 proposes to provide an income tax deduction for amounts distributed to corporations that are approved by the Oklahoma Broadband Office to receive ARPA funds.

Analysis by the Oklahoma Tax Commission:

Impact: No additional impact to State revenue is expected as a result of the proposed CCS. Based on data from Oklahoma Broadband Office, \$374.5 million has been distributed to entities for broadband development in Oklahoma. Of that amount, \$188.3 million has been distributed to "C" corporations. If these grants are subject to state income tax, an additional \$7.5 million in tax collections are expected. If the deduction is enacted, those tax collections would not occur; therefore, resulting in no additional impact.

Prepared By: Zach Penrod, House Fiscal Staff

Other Considerations

None.