

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 57th Legislature (2020)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 4142

By: Wallace and Hilbert of the
House

and

Thompson and Rader of the
Senate

11 COMMITTEE SUBSTITUTE

12 An Act relating to the Oklahoma Tax Commission;
13 amending 68 O.S. 2011, Section 118, as amended by
14 Section 532, Chapter 304, O.S.L. 2012 (68 O.S. Supp.
15 2019, Section 118), which relates to information to
16 be provided to legislators based on written requests;
17 requiring certain analysis and methodology be
18 provided upon request; and eliminating requirement
19 related to certain written explanations.

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

21 SECTION 1. AMENDATORY 68 O.S. 2011, Section 118, as
22 amended by Section 532, Chapter 304, O.S.L. 2012 (68 O.S. Supp.
23 2019, Section 118), is amended to read as follows:

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

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

3 2. A written statement of the Tax Commission's recommendation
4 to the State Board of Equalization as to the change in the amount
5 certified as available for appropriation by the Legislature as a
6 result of an actual or proposed change to a state tax law; and

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

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

19 B. On or after December 31, 2009, and subject to the
20 availability of funds, the Tax Commission shall develop the
21 estimates and statements required by subsection A of this section
22 utilizing a dynamic revenue estimating model. Such model shall take
23 into consideration changes in economic activity as a result of the
24 proposed legislation and consequent revenue gains or losses due to

1 factors such as taxpayer behavior, employment and business
2 investment. The Tax Commission may, subject to the laws of this
3 state relating to confidentiality of information, contract with
4 institutions of higher education in this state or other entities to
5 perform its duties as set forth in this subsection. The Tax
6 Commission is authorized to promulgate rules to carry out the
7 implementation of this section.

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

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23 COMMITTEE REPORT BY: COMMITTEE ON JOINT COMMITTEE ON APPROPRIATIONS
24 AND BUDGET, dated 05/12/2020 - DO PASS, As Amended.