



**OKLAHOMA STATE SENATE
SENATOR MIKE MAZZEI, R-TULSA
CO-CHAIRMAN, FINANCE COMMITTEE
SENATE DISTRICT 25**

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**Data Show Individual Income Tax Revenues
Grow for FY 2008 Despite Dire Predictions of
Shrinking Revenues**

(State Capitol, Oklahoma City) – Data from the Oklahoma Tax Commission show that the state’s individual income tax revenues grew slightly for Fiscal Year 2008, which concluded on June 30, the co-chairman of the State Senate Finance Committee noted today.

“There were a lot of dire predictions by opponents of tax relief that income tax cuts would drastically shrink income tax revenues. But the facts tell a different story – revenues from individual income taxes continue to grow,” said State Sen. Mike Mazzei, R-Tulsa.

Since 2005, the Legislature has reduced Oklahoma’s top rate for individual income taxes from 6.65% to 5.5%. The Legislature has also increased the standard deduction for individual income taxpayers.

The Oklahoma Tax Commission’s “Income Tax Summary” for FY 2008 shows that individual income taxes apportioned to various state funds totaled \$2,780,582,937.48. That’s nearly \$3.3 million, or 0.1%, more than was apportioned in FY 2007.

“The Legislature’s income tax relief program, along with Oklahoma’s strong energy and agriculture sectors, have helped keep our state’s economy afloat while the national economy has slowed down,” stated Mazzei. “The growth of individual income tax revenues has been modest, but they’re still growing and that’s a far cry from what the doom-and-gloomers predicted would happen.”

Individual income taxes are apportioned to a number of different funds, including the Education Reform Revolving Fund, the Teachers Retirement Fund, the ROADS Fund, and the General Revenue Fund.

The General Revenue Fund is money that is available for appropriation by the Legislature. Mazzei noted that while the General Revenue Fund did drop in FY 2008, it was not because of tax relief for individual income taxpayers. The drop was due mostly to more revenues being earmarked to priorities such as roads and the Teachers Retirement System instead of going to the General Revenue Fund, and to a drop in revenues from corporate income taxes.

“It’s not factual to blame the income tax cuts for a drop in general revenue,” Mazzei said.

For FY 2008, \$541,477,126.74 of the individual income tax was apportioned to seven funds other than General Revenue, while \$2,239,105,810.74 was deposited in the General Revenue Fund.

	Total Individual Income Taxes Apportioned	Increase	%
FY06	\$2,766,343,399.65	---	---
FY07	\$2,777,320,906.47	\$10,977,506.82	0.4%
FY08	\$2,780,582,937.48	\$3,262,031.01	0.1%

SOURCE: Oklahoma Tax Commission, Income Tax Summary, FY06, FY07, FY08

FY 2008: Where Were Individual Income Taxes Apportioned?	
Ad Valorem Reimbursement Fund	\$27,805,829.40
Education Reform Fund	\$231,900,616.98
Teachers Retirement Fund	\$139,029,146.86
ROADS Fund	\$137,500,000.00
Oklahoma Tourism and Passenger Rail Fund Revolving Fund	\$2,000,000.00
Public Transit Revolving Fund	\$3,000,000.00
1695A Qualified Aircraft Manufacturer Ad Valorem Rebate	\$241,533.50
NON-GENERAL REVENUE SUBTOTAL	\$541,477,126.74
General Revenue Fund	\$2,239,105,810.74
TOTAL FY 2008	\$2,780,582,937.48

SOURCE: Oklahoma Tax Commission, Income Tax Summary, FY08

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