

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)
COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 2199

By: Hager

COMMITTEE SUBSTITUTE

An Act relating to revenue and taxation; amending 68 O.S. 1991, Section 2104, as amended by Section 2, Chapter 300, O.S.L. 1992 (68 O.S. Supp. 1993, Section 2104), which relates to vehicle excise tax; modifying value of certain vehicles for purposes of excise tax; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 68 O.S. 1991, Section 2104, as amended by Section 2, Chapter 300, O.S.L. 1992 (68 O.S. Supp. 1993, Section 2104), is amended to read as follows:

Section 2104. A. The value of any new motor vehicle, except manufactured homes, for the purposes of the excise tax levied by Section 2103 of this title, shall be determined as of the time the person applying for a certificate of title thereto obtained either ownership or possession of the vehicle, which shall be presumed to be the actual date of the sale or other transfer of ownership, and assignment of the certificate of title.

B. The value of any new vehicle, except those vehicles subject to the tax levied pursuant to Section 4481 of Title 26 of the United States Code and except as provided in this section, manufactured in the United States shall be the manufacturer's price of such a vehicle delivered at the factory plus the value of all extra or optional equipment and accessories physically attached to such vehicle at the time of sale and sold as a part thereof minus any portion of the value of such optional equipment and accessories deducted by the dealer at the time of sale if such optional equipment and accessories are sold by the dealer as a discount package. The value of such optional equipment and

accessories shall not be less than the manufacturer's suggested retail selling price thereof or the manufacturer's factory price thereof, whichever is the higher. Provided, that as to automobiles the value of such optional equipment and accessories shall not be less than the manufacturer's suggested retail selling price thereof as shown or listed on the label or sticker required by the Act of Congress known as the "Federal Disclosure of Automobile Information Act" (15 U.S.C.A. Section 1231), which is required to be securely affixed or attached on all new automobiles. A complete list of such extra or optional equipment and accessories showing separately such value of each item thereof or the total price of the discount package shall be furnished by the seller to the purchaser of all new vehicles. The total value of such optional equipment and accessories, minus any portion of such value deducted by the dealer at the time of sale if such optional equipment and accessories are sold by the dealer as a discount package, and the factory delivered price of the vehicle, which total shall be the basis of the motor vehicle excise tax, shall be entered on the bill of sale furnished by the seller to the purchaser, or on such other form as may be prescribed by the Tax Commission. The seller shall also show thereon separately, for license fee rate purposes, the factory delivered price of the vehicle without extra or optional equipment.

C. The value of a new vehicle subject to the tax levied pursuant to Section 4481 of Title 26 of the United States Code shall be, for the purposes of this article, the actual sales price of such vehicle, provided that said tax has been paid on said vehicle.

D. The manufacturer's price of a new vehicle manufactured outside of the United States shall, for the purpose of the excise tax levied by Section 2103 of this title, be the value of such model and make of vehicle as determined by the Tax Commission as the gross value of such vehicle at the point or port of entry into the United States, which value shall likewise include the value of all extra or optional equipment and accessories attached to such vehicle minus any portion of the value of such optional equipment

and accessories deducted by the dealer at the time of sale if such optional equipment and accessories are sold by the dealer as a discount package.

E. For purposes of this section, the term "discount package" shall mean optional equipment and accessories physically attached to a vehicle which were selected and packaged together by the manufacturer to be offered for sale at a reduced price. The seller shall deliver to the buyer a copy of the label or sticker required by the Act of Congress known as the "Federal Disclosure of Automobile Information Act" (15 U.S.C.A. Section 1231) indicating a discount package. The buyer shall deliver the copy to the Tax Commission at time of application for title.

F. Notwithstanding the definition of the terms "new vehicle" and "used vehicle" to the contrary contained in any other law, the term "new vehicle" as used in this section shall also include any vehicle of the latest manufactured model which is owned or acquired by a licensed used motor vehicle dealer and which has not theretofore been registered in Oklahoma and upon which vehicle an Oklahoma motor vehicle excise tax has not been paid. However, upon the sale or transfer by a licensed used motor vehicle dealer located in this state of any such vehicle which is the latest manufactured model, said vehicle shall be valued as a used vehicle for excise tax purposes.

G. The value of a used vehicle shall be sixty-five percent (65%) of the new vehicle value of such vehicle, determined (as above provided) for subsequent transfers in the first year and in the second year for which registered and sixty-five percent (65%) of the value of the previous year, so fixed for each successive calendar year for which such vehicle is registered and licensed in this, or any other state, until such vehicle reaches a minimum value of Two Hundred Fifty Dollars (\$250.00). In computing the motor vehicle excise tax, the fees collected shall be rounded to the nearest dollar.

H. In computing the motor vehicle excise tax due, the value of all vehicles shall be increased or reduced to the nearest multiple of Fifty Dollars (\$50.00) and for this purpose

Twenty-five Dollars (\$25.00) or more shall be considered a major fraction of Fifty Dollars (\$50.00) and shall require an increase to the next nearest multiple of Fifty Dollars (\$50.00).

I. The value of any vehicle which is at least two (2) manufactured model years old, which has not been registered in Oklahoma and upon which an Oklahoma motor vehicle excise tax has not been paid, but which is still considered a new vehicle, shall be, for excise tax purposes, sixty-five percent (65%) of the manufacturer's price of the vehicle delivered at the factory plus the value of all extra or optional equipment and accessories physically attached to such vehicle at the time of sale and sold as a part thereof minus any portion of the value of the optional equipment and accessories deducted by the dealer at the time of sale if the optional equipment and accessories are sold by the dealer as a discount package. The value of the optional equipment and accessories shall be determined as provided in subsection B of this section.

SECTION 2. This act shall become effective July 1, 1994.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

44-2-8741

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