

STATE OF OKLAHOMA

2nd Session of the 45th Legislature (1996)

HOUSE BILL NO. 2121

By: Wells

AS INTRODUCED

An Act relating to revenue and taxation; amending 68 O.S. 1991, Section 723, as last amended by Section 7, Chapter 224, O.S.L. 1993 (68 O.S. Supp. 1995, Section 723), which relates to fee in lieu of special fuel use tax; modifying effective date of certain in lieu of fee; modifying fee in lieu of special fuel use tax; clarifying certain language; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 1991, Section 723, as last amended by Section 7, Chapter 224, O.S.L. 1993 (68 O.S. Supp. 1995, Section 723), is amended to read as follows:

Section 723. A. In lieu of the special fuel tax imposed by Sections 703, 705, 707.1, 707.2 and 707.3 of this title, there is hereby levied a flat fee of Fifty Dollars (\$50.00) on each passenger automobile, and on each pickup truck or van not exceeding one (1) ton in capacity, using liquefied petroleum gas or natural gas as fuel, except that no such fee shall be levied on any vehicle which is the subject of an exemption pursuant to Section 708 of this title. Provided that, should the passenger automobile, pickup truck

or van have been acquired or should the liquefied petroleum gas or natural gas system be installed on or after July 1, the flat fee shall be Twenty-five Dollars (\$25.00) for the remainder of the calendar year, except as hereinafter provided.

B. Beginning January 1, ~~1991~~ 1997, in lieu of the special fuel tax imposed by Sections 703, 705, 707.1, 707.2 and 707.3 of this title, there is hereby levied a flat fee of ~~One Hundred Dollars (\$100.00)~~ Fifty Dollars (\$50.00) on each passenger automobile, and on each pickup truck or van not exceeding one (1) ton in capacity, using compressed natural gas, liquefied natural gas, methanol or "M-85" which is a mixture of methanol and gasoline containing at least eighty-five percent (85%) methanol as fuel, except that no such fee shall be levied on any vehicle which is the subject of an exemption pursuant to Section 708 of this title. ~~Provided that~~ However, should the passenger automobile, pickup truck or van ~~have been~~ be acquired or should the compressed natural gas, liquefied natural gas, methanol or "M-85" system be installed on or after July 1, the flat fee shall be ~~Fifty Dollars (\$50.00)~~ Twenty-five Dollars (\$25.00) for the remainder of the calendar year, except as hereinafter provided.

C. Beginning January 1, ~~1993~~ 1997, in lieu of the special fuel tax imposed by Sections 703, 705, 707.1, 707.2 and 707.3 of this title, there is hereby levied a flat fee of ~~One Hundred Fifty Dollars (\$150.00)~~ Fifty Dollars (\$50.00) on each vehicle exceeding one (1) ton in capacity, using liquefied petroleum gas, compressed natural gas, liquefied natural gas, methanol or "M-85" as fuel, except that no such fee shall be levied on any vehicle which is the subject of an exemption pursuant to Section 708 of this title. ~~Provided that~~ However, should the vehicle be acquired or should the compressed natural gas, liquefied natural gas, methanol or "M-85" system be installed on or after July 1, the flat fee shall be

~~Seventy-five Dollars (\$75.00)~~ Twenty-five Dollars (\$25.00) for the remainder of the calendar year, except as hereinafter provided.

D. Every person operating a vehicle using liquefied petroleum gas, liquefied natural gas, compressed natural gas, methanol or "M-85" as fuel shall make application for and obtain a decal to be issued on a yearly basis by the Oklahoma Tax Commission on forms prescribed and furnished by the Tax Commission.

E. Every person required to make application for and receive a decal under this section shall, at the time of making ~~said~~ the application, remit to the Tax Commission the total amount of the fee due.

F. Each decal issued by the Tax Commission pursuant to the provisions of this section, shall expire on December 31 of every year, and in addition thereto ~~said~~ the decals shall be displayed in the lower right hand corner of the front windshield of ~~said~~ the vehicle. Upon receipt of satisfactory proof by the Tax Commission that it has become necessary to replace the windshield of the vehicle for which the decal was issued, another decal shall be issued by the Tax Commission as a replacement for a fee of One Dollar (\$1.00).

G. When any vehicle using liquefied petroleum gas, liquefied natural gas, compressed natural gas, methanol or "M-85" as fuel and displaying a current decal as provided in this section is sold, such decal shall remain with the vehicle sold, unless the equipment installed to enable the vehicle to use liquefied petroleum gas, liquefied natural gas, compressed natural gas, methanol or "M-85" has been removed from the vehicle before the sale.

H. When the aforementioned equipment has been removed before the sale, the seller of the vehicle shall also remove the decal required of vehicles using liquefied petroleum gas, liquefied natural gas, compressed natural gas, methanol or "M-85". The removed decal, a receipt from the Oklahoma Tax Commission showing

that the fee required has been paid for the current year, and the payment of a one-dollar fee for duplicate decal shall entitle the seller to make application for and obtain a new decal to be used for the remainder of the year on any vehicle using liquefied petroleum gas, liquefied natural gas, compressed natural gas, methanol or "M-85" in accordance with the provisions of this section.

I. Provisions contained in Sections 701 through 721 of this title shall not apply to any vehicle using liquefied petroleum gas, liquefied natural gas, compressed natural gas, methanol or "M-85".

J. All funds derived from the fee imposed by subsection A of this section shall be deposited annually in the General Revenue Fund of the State Treasury by the Tax Commission. When any person fails to obtain a current decal within thirty (30) days of the date said decal is required as provided in this section, there shall become due and payable a penalty of twenty percent (20%) of the fee in addition to the fee. ~~Said~~ The penalty to be deposited in the same manner as the fee pursuant to this subsection.

K. All funds derived from the fee imposed by subsections B and C of this section shall be collected by the Oklahoma Tax Commission and apportioned annually to the State Transportation Fund. When any person fails to obtain a current decal within thirty (30) days of the date such decal is required as provided in this section, there shall become due and payable a penalty of twenty percent (20%) of the fee in addition to the fee. ~~Such~~ The penalty shall be deposited in the same manner as the fee pursuant to this subsection.

SECTION 2. This act shall become effective January 1, 1997.

45-2-7877

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