

STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

HOUSE BILL NO. 2589

By: Satterfield

AS INTRODUCED

An Act relating to motor vehicles; amending 47 O.S. 1991, Section 1132, as amended by Section 1, Chapter 10, O.S.L. 1995 (47 O.S. Supp. 1997, Section 1132), which relates to vehicle registration fees; clarifying language; amending 68 O.S. 1991, Sections 2103, as amended by Section 21, Chapter 294, O.S.L. 1997, and 2104.1 (68 O.S. Supp. 1997, Section 2103), which relate to vehicle excise tax; clarifying language; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 1991, Section 1132, as amended by Section 1, Chapter 10, O.S.L. 1995 (47 O.S. Supp. 1997, Section 1132), is amended to read as follows:

Section 1132. A. For all vehicles, unless otherwise specifically provided by ~~Section 1101 et seq. of this title~~ the Oklahoma Vehicle License and Registration Act, the following vehicle registration fees shall be assessed:

1. A registration fee of Fifteen Dollars (\$15.00) shall be assessed at the time of initial registration by the owner and

annually thereafter, for the use of the avenues of public access within this state; and

2. A fee, to be paid annually in lieu of all other taxes both general and local, of one and one-quarter percent (1 1/4%) of the factory delivered price (F.D.P.). For this purpose the factory delivered price shall be rounded off to the nearest One Hundred Dollars (\$100.00).

After the first year's registration in this or any other state, the fee shall be assessed at ninety percent (90%) of the fee computed and assessed for the first year. Thereafter such fee shall be computed and assessed at ninety percent (90%) of the previous year's fee. The fee shall be so computed and assessed through the twelfth year of registration. The fee thereafter through the twentieth year of registration shall be the same as for the twelfth year of registration. The fee provided by this paragraph shall not be assessed after the twentieth year of registration. The fee provided by this paragraph shall be paid annually for the vehicle registered;

3. Provided that in no event shall the fee for the registration of a vehicle imposed by this subsection exceed the fee paid to register said vehicle for the preceding year; and

4. Provided further, there shall be a credit allowed with respect to the fee for registration of a new vehicle which is a replacement for:

- a. a new original vehicle which is stolen from the purchaser/registrant within ninety (90) days of the date of purchase of the original vehicle as certified by a police report or other documentation as required by the Commission, or
- b. a defective new original vehicle returned by the purchaser/registrant to the seller within six (6)

months of the date of purchase of the defective new original vehicle as certified by the manufacturer.

Said credit shall be in the amount of the fee for registration which was paid for the new original vehicle and shall be applied to the registration fee for the replacement vehicle. In no event will said credit be refunded.

B. Upon every transfer or change of ownership of a vehicle, the new owner shall obtain title for and, except in the case of salvage vehicles and manufactured homes, register the vehicle within thirty (30) days of change of ownership and pay the fee provided in paragraph 1 of subsection A of this section in addition to any other fees provided for in this subsection. No new decal shall be issued to the registrant. Thereafter, the owner shall register the vehicle annually on the anniversary date of its initial registration in this state and shall pay the fees provided in paragraphs 1 and 2 of subsection A of this section and receive a decal evidencing such payment. Provided, used motor vehicle dealers shall be exempt from the provisions of this section.

C. In the event the vehicle is not registered, titled and tagged within thirty (30) days from the date of transfer of ownership, the penalty for the failure of the owner of the vehicle to register said vehicle within thirty (30) days shall be twenty-five cents (\$0.25) per day, provided that in no event shall the penalty exceed Twenty-five Dollars (\$25.00).

SECTION 2. AMENDATORY 68 O.S. 1991, Section 2103, as amended by Section 21, Chapter 294, O.S.L. 1997 (68 O.S. Supp. 1997, Section 2103), is amended to read as follows:

Section 2103. A. 1. Except as otherwise provided in Sections 2101 through 2108 of this title, there is hereby levied an excise tax upon the transfer of legal ownership of any vehicle registered in this state and upon the use of any vehicle registered in this state and upon the use of any vehicle registered for the first time

in this state. The excise tax shall be levied at three and one-fourth percent (3 1/4%) of the value of each vehicle, ~~except~~. However, for any truck or truck-tractor registered under the provisions of subsection A of Section 1133 of Title 47 of the Oklahoma Statutes, for a laden weight or combined laden weight of 54,001 pounds or more, and for any trailer or semitrailer registered under subsection C of Section 1133 of Title 47 of the Oklahoma Statutes, which is primarily designed to transport cargo over the highways of this state and generally recognized as such, the excise tax shall be Ten Dollars (\$10.00). This exception shall not apply to special mobilized machinery, trailers, or semitrailers manufactured, modified or remanufactured for the purpose of providing services other than transporting cargo over the highways of this state. This exception shall also not apply to pickup trucks, vans, or sport utility vehicles.

2. The tax hereby levied shall be due at the time of the transfer of legal ownership or first registration in this state of such vehicle, and shall be collected by the Tax Commission at the time of the issuance of a certificate of title for any such vehicle. In the event an excise tax is collected on the transfer of legal ownership or use of the vehicle during any calendar year, then an additional excise tax must be collected upon all subsequent transfers of legal ownership. The excise tax levied by this section shall be delinquent from and after the thirtieth day after the legal ownership or possession of any vehicle is obtained. Any person failing or refusing to pay the tax as herein provided on or before date of delinquency shall pay in addition to the tax a penalty of twenty-five cents (\$0.25) per day for each day of delinquency, but such penalty shall in no event exceed the amount of the tax.

B. The excise tax levied in subsection A of this section assessed on all commercial vehicles registered pursuant to Section 1120 of Title 47 of the Oklahoma Statutes, as amended, shall be in

lieu of all sales and use taxes levied under Articles 13 and 14 of this title. The transfer of legal ownership of any motor vehicle as used in this section and Articles 13 and 14 of this title shall include the lease, lease purchase or lease finance agreement involving any truck in excess of eight thousand (8,000) pounds combined laden weight or any truck-tractor provided the vehicle is registered in Oklahoma pursuant to Section 1120 of Title 47 of the Oklahoma Statutes or any trailer, semitrailer or open commercial vehicle registered pursuant to Section 1133 of Title 47 of the Oklahoma Statutes, as amended. The excise tax levied herein shall not be subsequently collected at the end of the lease period if the lessee acquires complete legal title of the vehicle.

C. The provisions of this section shall not apply to transfers made without consideration between:

1. Husband and wife;
2. Parent and child; or
3. An individual and an express trust which that individual or the spouse, child or parent of that individual has a right to revoke.

D. 1. There shall be a credit allowed with respect to the excise tax paid for a new vehicle which is a replacement for:

- a. a new original vehicle which is stolen from the purchaser/registrant within ninety (90) days of the date of purchase of the original vehicle as certified by a police report or other documentation as required by the Commission, or
- b. a defective new original vehicle returned by the purchaser/registrant to the seller within six (6) months of the date of purchase of the defective new original vehicle as certified by the manufacturer.

2. The credit allowed pursuant to paragraph 1 of this subsection shall be in the amount of the excise tax which was paid

for the new original vehicle and shall be applied to the excise tax due on the replacement vehicle. In no event shall the credit be refunded.

SECTION 3. AMENDATORY 68 O.S. 1991, Section 2104.1, is amended to read as follows:

Section 2104.1 ~~(a)~~ A. The value of any recreational vehicle for the purposes of the vehicle excise tax levied by ~~the Vehicle Excise Tax Code, Chapter 361, Oklahoma Session Laws 1963 (Article 21 of Title 68, O.S. Supp. 1969),~~ Section 2103 of this title shall be determined as of the time the person applying for a certificate of title thereto obtained either legal ownership or possession of the recreational vehicle, which shall be the actual date of the sale or other transfer of legal ownership, which date shall be shown by the assignment on the certificate of title, or, in the case of a new recreational vehicle, on the manufacturer's certificate or statement of origin, and by the assignment on the application for registration, required to be furnished by the new recreational vehicle dealer for use by the purchaser. The value of a new recreational vehicle for vehicle excise tax purposes shall be the manufacturer's price of such a recreational vehicle delivered at the factory. The value of a used recreational vehicle shall be sixty-five percent (65%) of the manufacturer's price of such recreational vehicle delivered at the factory for subsequent transfers for the first year and for the second year and sixty-five percent (65%) of the value of the previous year so fixed for each successive year for which such recreational vehicle is registered and licensed in this or any other state, until such recreational vehicle reaches a minimum value of Two Hundred Fifty Dollars (\$250.00).

~~(b)~~ B. The excise tax collected on the sale or transfer of recreational vehicles shall be apportioned in accordance with the provisions of Section 2102 of ~~Section 2, Chapter 361, Oklahoma~~

~~Session Laws 1963, as renumbered by Section 3, Chapter 215, O.S.L.
1965 (68 O.S.Supp.1969, Section 2102) this title.~~

SECTION 4. This act shall become effective November 1, 1998.

46-2-8380

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