

SHORT TITLE: Revenue and taxation; modifying determination of value of vehicle for purpose of computing motor vehicle excise tax; modifying information which must be entered on bill of sale or other form; effective date.

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

SENATE BILL NO. 206

By: Martin

AS INTRODUCED

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. 1996, Section 2104), which relates to motor vehicle excise taxes; modifying determination of value of vehicle for purpose of computing motor vehicle excise tax; modifying information which must be entered on bill of sale or other form; and providing an effective date.

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. 1996, 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, ~~manufactured in the United States~~ shall be the

~~manufacturer's price of such a vehicle delivered at the factory plus~~  
~~the~~ the actual sales price of the vehicle. 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, shall be subject to the tax levied by Section 1350 et seq.  
of this title unless included in the actual sales price of the  
vehicle. ~~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~~ actual sales 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~~ such tax has been paid on ~~said~~ the 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.~~ E. 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. F.~~ The value of a used vehicle shall be ~~sixty-five percent (65%) of the new vehicle value~~ the actual sales price 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). The actual sales price of the vehicle 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 Oklahoma Tax Commission.

G. 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).

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

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