STATE OF OKLAHOMA

1st Session of the 47th Legislature (1999)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 1734 By: Kirby, Deutschendorf, Glover, Fields, Lindley, Paulk, Roach, Roberts, Taylor, Tyler, Weaver, Adair, Askins, Begley, Benson, Beutler, Blackburn, Bonny, Braddock, Bryant, Calvey, Case, Claunch, Collins, Corn, Covey, Cox, Davis, Dunegan, Ferguson, Frame, Gilbert, Graves, Hilliard, Hutchison, Kinnamon, Langmacher, Mass, Matlock, McCarter, Nations, Plunk, Reese, Rice, Seikel, Settle, Smith (Dale), Staggs, Stanley, Stites, Sweeden, Thomas, Toure, Turner, Vaughn, Wells and Worthen of the House

and

Maddox, Fisher, Helton, Martin and Wilcoxson of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to revenue and taxation; amending 47 O.S. 1991, Section 1132, as amended by Section 1, Chapter 10, O.S.L. 1995 (47 O.S. Supp. 1998, Section 1132), which relates to motor vehicle registration fee; modifying and deleting certain vehicle registration fees; specifying that certain registration fee shall be in lieu of all other taxes; setting forth certain transfer fee; amending 47 O.S. 1991, Section 1141.1, as last amended by Section 1, Chapter 95, O.S.L. 1997 (47 O.S. Supp. 1998, Section 1141.1), which relates to retention of taxes and fees by motor license agents; modifying certain amount retained by motor license agents; modifying amount of certain excise tax to be collected and retained; authorizing Legislature to review certain amount retained by motor license agents; deleting certain amounts to be retained by motor license agent; amending 68 O.S. 1991, Section 1353, as amended by Section 3, Chapter 269, O.S.L. 1996 (68 O.S. Supp. 1998, Section 1353), which relates to purpose and apportionment of sales tax; requiring certain funds to be apportioned according to certain law; amending 68 O.S. 1991, Section 1355, as last amended by

Section 3, Chapter 337, O.S.L. 1995 (68 O.S. Supp. 1998, Section 1355), which relates to sales tax exemptions subject to other tax; deleting sales tax exemption for motor vehicles; amending 68 O.S. 1991, Section 1361, as last amended by Section 561, Chapter 133, O.S.L. 1997 (68 O.S. Supp. 1998, Section 1361), which relates to collection and payment of sales tax; providing certain exception; setting forth certain exemption; setting forth definitions; levying excise tax upon transfer of motor vehicles; setting forth amount of excise tax; requiring excise tax to be based on certain value; requiring certain value to be within certain limits; requiring bill of sale or other form to be presented; levying certain excise tax on certain trucks, truck-tractors, trailers, or semitrailers; setting forth certain exemptions; requiring transfer of ownership to include lease and lease-purchase agreements; setting forth time excise tax due; providing for collection of excise tax; authorizing additional excise tax; setting forth penalty for delinquent taxes; stating that excise tax shall be in lieu of sales or use tax; prohibiting municipal or county sales or use tax upon motor vehicles; prohibiting motor license agents from obtaining certain deduction; setting forth certain exemptions from excise tax; allowing certain credit to excise tax under certain circumstances; setting forth certain exemptions from excise tax; prohibiting other exemptions; levying excise tax on manufactured homes; setting forth value of manufactured homes for purposes of excise tax; providing for apportionment of excise tax; setting forth procedure upon failure to pay certain tax; authorizing certain officer to seize vehicle; permitting certain hearing; authorizing sale of vehicle under certain circumstances; amending 47 O.S. 1991, Section 1151, as last amended by Section 3, Chapter 293, O.S.L. 1998 (47 O.S. Supp. 1998, Section 1151), which relates to offenses and penalties; increasing certain fine; authorizing Oklahoma Tax Commission to establish a tax amnesty program to waive certain penalties; requiring certain terms and conditions to be determined by Oklahoma Tax Commission; authorizing Oklahoma Tax Commission to expend certain funds for certain purpose; exempting Oklahoma Tax Commission from certain provision; amending 68 O.S. 1991, Section 2110, as amended by Section 1, Chapter 138, O.S.L. 1992 (68 O.S. Supp. 1998, Section 2110), which relates to rental tax; modifying certain references; repealing 68 O.S. 1991, Sections 2101, as amended by Section 44, Chapter 366, O.S.L. 1993, 2102, 2103, as amended by Section 21, Chapter 294, O.S.L. 1997, 2104, as amended by Section 2, Chapter 300, O.S.L. 1992, 2104.1, 2104.3, 2105, as last amended by Section 5 of Enrolled Senate Bill No. 694 of the 1st Session of the 47th Oklahoma Legislature, 2106, and 2108 (68 O.S. Supp. 1998, Sections 2101, 2103 and 2104), which relate to vehicle excise tax; providing for codification; providing an effective date; and declaring an emergency.

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. 1998, 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 following vehicle registration fees shall be assessed:~~

~~1. A~~ the Oklahoma Vehicle License and Registration Act, 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~~, in amounts as follows:

1. For the first through the fifth year of registration in this or any other state, Eighty-five Dollars ($85.00);

2. For the sixth through the tenth year of registration in this or any other state, Forty-five Dollars ($45.00); and

3. For the eleventh and any following year of registration in this or any other state, Fifteen Dollars ($15.00).

The registration fee provided for in this subsection shall be in lieu of all other taxes, general and local, unless otherwise specifically provided.

B. There shall be a credit allowed with respect to the fee for registration of a new vehicle which is a replacement for:

~~a.~~ ~~a~~

1. 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 Oklahoma Tax Commission~~,~~; or

~~b.~~ ~~a~~

2. 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~~ The 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~~ the credit be refunded.

~~B.~~ C. 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~~ a transfer fee ~~provided in paragraph 1 of subsection A of this section~~ of Fifteen Dollars ($15.00) in addition to any other fees provided for in this ~~subsection~~ act. 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.~~ D. 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~~ the 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 47 O.S. 1991, Section 1141.1, as last amended by Section 1, Chapter 95, O.S.L. 1997 (47 O.S. Supp. 1998, Section 1141.1), is amended to read as follows:

Section 1141.1 A. Each motor license agent shall be entitled to retain the following amounts from the taxes and fees collected by such agent to be used to fund the operation of the office of such motor license agent subject to the provisions of Sections 1140 through 1147 of this title:

1. ~~For~~ Beginning July 1, 1999, for each vehicle registered and for each special license plate issued pursuant to the Oklahoma Vehicle License and Registration Act, ~~an amount determined pursuant to the provisions of subsection B of this section. However, until January 1, 1998,~~ each motor license agent shall be entitled to retain ~~Two Dollars and twenty-five cents ($2.25)~~ Two Dollars and forty-eight cents ($2.48) for each vehicle registered and for each special license plate issued;

2. One Dollar and twenty-five cents ($1.25) for each certificate of title issued for boats and motors pursuant to the Oklahoma Statutes;

3. For each certificate of registration issued for boats and motors pursuant to the Oklahoma Statutes, an amount determined pursuant to the provisions of subsection ~~C~~ B of this section. However, until January 1, 1998, each motor license agent shall be entitled to retain One Dollar and twenty-five cents ($1.25) for each certificate of registration issued for boats and motors;

4. Two Dollars and twenty-five cents ($2.25) for each certificate of title issued pursuant to the Oklahoma Vehicle License and Registration Act;

5. ~~Four percent (4%)~~ Beginning July 1, 1999, three percent (3%) of the vehicle excise tax collected pursuant to Section ~~2102~~ 7 of ~~Title 68 of the Oklahoma Statutes~~ this act. Beginning July 1, 2000, each motor license agent shall be entitled to retain three and one hundred twenty-five one thousandths percent (3.125%) of the vehicle excise tax collected pursuant to Section 7 of this act. Beginning July 1, 2001, and for all subsequent years, each motor license agent shall be entitled to retain three and twenty-five one hundredths percent (3.25%) of the vehicle excise tax collected pursuant to Section 7 of this act. However, beginning January 1, 2002, the Legislature shall annually review the percentage to be retained by the motor license agents pursuant to this paragraph to determine whether such percentage should be adjusted;

6. Four percent (4%) of the excise tax collected on the transfer of boats and motors pursuant to the Oklahoma Statutes;

7. Two Dollars ($2.00) for each ~~driver's~~ driver license, endorsement, identification license, or renewal or duplicate issued pursuant to Section 6-101 et seq. of this title;

8. Two Dollars ($2.00) for the recording of security interests as provided in Section 1110 of this title;

9. Two Dollars ($2.00) for each inspection conducted pursuant to subsection L of Section 1105 of this title;

10. Fifty cents ($0.50) for each inspection conducted pursuant to paragraph 7 of Section 1102 of this title;

11. Three Dollars ($3.00) for each inspection conducted pursuant to subsection M of Section 1105 of this title;

12. One Dollar ($1.00) for each certificate of ownership filed pursuant to subsection Q of Section 1105 of this title;

13. One Dollar ($1.00) for each temporary permit issued pursuant to Section 1124 of this title;

14. One Dollar and fifty cents ($1.50) for processing each proof of financial responsibility, ~~driver's~~ driver license information, insurance verification information, and other additional information as provided in Section 7-602 of this title;

15. The mailing fees and registration fees provided in Sections 1131 and 1140 of this title;

16. The notary fee provided in Section 1143 of this title;

17. Three Dollars ($3.00) for each lien entry form completed and recorded on a certificate of title pursuant to subsection G of Section 1105 of this title;

18. Seven Dollars ($7.00) for each certificate of title or each certificate of registration issued for repossessed vehicles pursuant to Section 1126 of this title; and

19. Any amount specifically authorized by law to be retained by the motor license agent for the furnishing of a summary of a traffic record.

The balance of the funds collected shall be remitted to the Commission as provided in Section 1142 of this title to be apportioned pursuant to Section 1104 of this title.

B. ~~For each vehicle registered and for each special license plate issued pursuant to the provisions of the Oklahoma Vehicle License and Registration Act, each motor license agent shall be entitled to retain the greater of Two Dollars and twenty-five cents ($2.25) or an amount to be determined by the Oklahoma Tax Commission~~

~~according to the provisions of this subsection. At the end of fiscal year 1997 and each fiscal year thereafter, the Tax Commission shall compute the average amount of registration fees for all vehicles registered and special license plates issued in this state during the fiscal year and shall multiply the result by two and thirty-nine one-hundredths percent (2.39%). The resulting product shall be the amount which may be retained by each motor license agent for each vehicle registered and each special license plate issued during the following calendar year. For purposes of this subsection, the average amount of registration fees for all vehicles registered and special license plates issued shall include, but not be limited to, commercial vehicles and noncommercial vehicles.~~

~~C.~~ For each certificate of registration issued for boats and motors, each motor license agent shall be entitled to retain the greater of One Dollar and twenty-five cents ($1.25) or an amount to be determined by the Oklahoma Tax Commission according to the provisions of this subsection. At the end of fiscal year 1997 and each fiscal year thereafter, the Tax Commission shall compute the average amount of registration fees for all boats and motors registered in this state during the fiscal year and shall multiply the result by six and twenty-two one-hundredths percent (6.22%). The resulting product shall be the amount which may be retained by each motor license agent for each certificate of registration for boats and motors issued during the following calendar year.

SECTION 3. AMENDATORY 68 O.S. 1991, Section 1353, as amended by Section 3, Chapter 269, O.S.L. 1996 (68 O.S. Supp. 1998, Section 1353), is amended to read as follows:

Section 1353. Purpose of article - Apportionment of revenues.

A. ~~It~~ Except as provided for in subsection B of this section, it is hereby declared to be the purpose of the Oklahoma Sales Tax Code to provide funds for the financing of the program provided for by the Oklahoma Social Security Act and to provide revenues for the

support of the functions of the state government of Oklahoma, and for this purpose it is hereby expressly provided that eighty-nine and fifty-eight one-hundredths percent (89.58%) of the revenues derived pursuant to the provisions of the Oklahoma Sales Tax Code shall be paid to the State Treasurer to be placed to the credit of the General Revenue Fund to be paid out pursuant to direct appropriation by the Legislature and that ten and forty-two one-hundredths percent (10.42%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education.

B. All funds collected pursuant to the provisions of Section 7 of this act shall be apportioned and distributed by the Oklahoma Tax Commission as provided for in Section 1104 of Title 47 of the Oklahoma Statutes.

SECTION 4. AMENDATORY 68 O.S. 1991, Section 1355, as last amended by Section 3, Chapter 337, O.S.L. 1995 (68 O.S. Supp. 1998, Section 1355), is amended to read as follows:

Section 1355. Exemptions - Subject to other tax.

There are hereby specifically exempted from the tax levied pursuant to the provisions of this article:

1. Sale of gasoline, motor fuel, methanol, "M-85" which is a mixture of methanol and gasoline containing at least eighty-five percent (85%) methanol, compressed natural gas, liquefied natural gas, or liquefied petroleum gas on which the Motor Fuel Tax, Gasoline Excise Tax, Special Fuels Tax or the fee in lieu of Special Fuels Tax levied in Article 5, 6, or 7 of this title has been, or will be paid;

2. ~~Sale of motor vehicles or any optional equipment or accessories attached to motor vehicles on which the Oklahoma Motor Vehicle Excise Tax levied in Article 21 of this title has been, or will be paid;~~

~~3.~~ Sale of crude petroleum or natural or casinghead gas and other products subject to gross production tax pursuant to the provisions of Articles 10 and 11 of this title. This exemption shall not apply when such products are sold to a consumer or user for consumption or use, except when used for injection into the earth for the purpose of promoting or facilitating the production of oil or gas. This paragraph shall not operate to increase or repeal the gross production tax levied by the laws of this state;

~~4.~~ 3. Sale of aircraft on which the tax levied pursuant to the provisions of Sections 6001 through 6004 of this title has been, or will be paid or which are specifically exempt from such tax pursuant to the provisions of Section 6003 of this title;

~~5.~~ 4. Sales from coin-operated devices on which the fee imposed by Sections 1501 through ~~1513~~ 1512 of this title has been paid;

~~6.~~ 5. Leases of twelve (12) months or more of motor vehicles in which the owners of the vehicles have paid the vehicle excise tax levied by Section ~~2103~~ 7 of this ~~title~~ act;

~~7.~~ 6. Sales of charity game equipment on which a tax is levied pursuant to the Oklahoma Charity Games Act, Section 401 et seq. of Title 3A of the Oklahoma Statutes; and

~~8.~~ 7. Sales of cigarettes or tobacco products to:

a. a federally recognized Indian tribe or nation which has entered into a compact with the State of Oklahoma pursuant to the provisions of subsection C of Section 346 of this title or to a licensee of such a tribe or nation, upon which the payment in lieu of taxes required by the compact has been paid, or

b. a federally recognized Indian tribe or nation or to a licensee of such a tribe or nation upon which the tax levied pursuant to the provisions of Section 349 or Section 426 of this title has been paid.

SECTION 5. AMENDATORY 68 O.S. 1991, Section 1361, as last amended by Section 561, Chapter 133, O.S.L. 1997 (68 O.S. Supp. 1998, Section 1361), is amended to read as follows:

Section 1361. Consumer to pay tax - Vendor to collect tax - Penalties for failure to collect.

A. Except as otherwise provided by Section 7 of this act or subsection C of this section, the tax levied by Section 1350 et seq. of this title shall be paid by the consumer or user to the vendor as trustee for and on account of this state. Except as otherwise provided by subsection C of this section, each and every vendor in this state shall collect from the consumer or user the full amount of the tax levied by Section 1350 et seq. of this title, or an amount equal as nearly as possible or practicable to the average equivalent thereof. Every person required to collect any tax imposed by Section 1350 et seq. of this title, and in the case of a corporation, each principal officer thereof, shall be personally liable for the tax. In the case of a limited liability company, all managers and members under a duty to collect and remit taxes for the limited liability company shall be liable for the tax. If no managers or members have been specified to be under the duty of withholding and remitting taxes, then all managers and members shall be liable for the tax.

However, if the Oklahoma Tax Commission finds that a consumer or user improperly presented a sales tax permit or other certification or used the property purchased exempt from tax in a manner that would not have qualified for exemption, the purchaser shall be liable for the remittance of the tax, interest and penalty due thereon and the Tax Commission shall pursue collection thereof from the purchaser in any manner in which sales tax may be collected from a vendor. Upon such determination, the vendor shall be relieved of any liability for any sales tax imposed by the provisions of this section upon such vendor with respect to such sale.

B. Except as otherwise provided by subsection C of this section, vendors shall add the tax imposed by Section 1350 et seq. of this title, or the average equivalent thereof, to the sales price, charge, consideration, gross receipts or gross proceeds of the sale of tangible personal property or services taxed by Section 1350 et seq. of this title, and when added such tax shall constitute a part of such price or charge, shall be a debt from the consumer or user to vendor until paid, and shall be recoverable at law in the same manner as other debts.

C. A person who has obtained a direct payment permit as provided in Section 1364.1 of ~~Title 68 of the Oklahoma Statutes~~ this title shall accrue all taxes imposed pursuant to Sections 1354 or 1402 of this title on all purchases made by the person pursuant to the permit at the time the purchased items are first used or consumed in a taxable manner and pay the accrued tax directly to the Oklahoma Tax Commission on reports as required by Section 1365 of this title.

D. Except as otherwise provided by subsection C of this section, a vendor who willfully or intentionally fails, neglects or refuses to collect the full amount of the tax levied by Section 1350 et seq. of this title, or willfully or intentionally fails, neglects or refuses to comply with the provisions of Section 1350 et seq. of this title, or remits or rebates to a consumer or user, either directly or indirectly, and by whatsoever means, all or any part of the tax levied by Section 1350 et seq. of this title, or makes in any form of advertising, verbally or otherwise, any statement which implies that the vendor is absorbing the tax, or paying the tax for the consumer or user by an adjustment of prices or at a price including the tax, or in any manner whatsoever, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not more than Five Hundred Dollars ($500.00), and upon conviction for a second or other subsequent offense shall be fined not more

than One Thousand Dollars ($1,000.00), or incarcerated for not more than sixty (60) days, or both. Provided, sales by vending machines may be made at a stated price which includes state and any municipal sales tax. The provisions of this subsection shall not apply to the tax levied pursuant to the provisions of Section 7 of this act.

E. A consumer or user who willfully or intentionally fails, neglects or refuses to pay the full amount of tax levied by Section 1350 et seq. of this title or willfully or intentionally uses a sales tax permit or direct payment permit which is invalid, expired, revoked, canceled or otherwise limited to a specific line of business or willfully or intentionally issues a resale certificate to a vendor to evade the tax levied by Section 1350 et seq. of this title shall be subject to a penalty in the amount of Five Hundred Dollars ($500.00) per reporting period upon determination thereof, which shall be apportioned as provided for the apportionment of the tax.

F. Any sum or sums collected or accrued or required to be collected or accrued in Section 1350 et seq. of this title shall be deemed to be held in trust for the State of Oklahoma, and, as trustee, the collecting vendor or holder of a direct payment permit as provided for in Section 1364.1 of ~~Title 68 of the Oklahoma Statutes~~ this title shall have a fiduciary duty to the State of Oklahoma in regards to such sums and shall be subject to the trust laws of this state. Any vendor who willfully or intentionally fails to remit the tax, after the tax levied by Section 1350 et seq. of this title was collected from the consumer or user, and appropriates the tax held in trust to his or her own use, or to the use of any person not entitled thereto, without authority of law, shall be guilty of the felony of embezzlement. Any holder of a direct payment permit who willfully or intentionally fails to remit the tax levied by Section 1350 et seq. of this title and appropriates the tax held in trust to his or her own use, or to the use of any person

not entitled thereto, without authority of law, shall be guilty of the felony of embezzlement.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1380.1 of Title 68, unless there is created a duplication in numbering, reads as follows:

As used in Sections 6 through 11 of this act:

1. "Motor vehicle" means every automobile, truck, truck-tractor, or any motor bus or any self-propelled vehicle not operated or driven upon fixed rails or tracks or in the air or on water;

2. "Vehicle" means every device in, upon, or by which any person or property is, or may be, transported or drawn, excepting devices moved by human or animal power, when not used upon fixed rails or tracks, or in the air or on water;

3. "Automobile" means every motor vehicle constructed and used solely for the transportation of persons for purposes other than for hire or compensation;

4. "Motorcycle" means every motor vehicle designed to travel on not more than three wheels;

5. "Truck" means every motor vehicle constructed or used for the transportation of property not falling within the definition of truck-tractor, trailer or semitrailer, as herein defined;

6. "Truck-tractor" means every motor vehicle of the truck type designed to draw or support the front end of a semitrailer;

7. "Trailer" means any vehicle designed to be drawn by a truck, tractor or a truck-tractor, but supported upon its own wheels;

8. "Semitrailer" means any vehicle designed to be attached to, and having its front end supported by a truck, tractor, or truck-tractor;

9. "Motor bus" means every motor vehicle constructed so as to carry persons, and which is used or rented to carry persons for compensation;

10. "Manufactured home" means every vehicle defined as a manufactured home pursuant to paragraph 13 of Section 1102 of Title 47 of the Oklahoma Statutes;

11. "Farm tractor" means any vehicle of tractor type owned and operated by the purchaser and used exclusively for agricultural purposes;

12. "Legal ownership" and "legally owned" mean the right to possession, whether acquired by purchase, barter, exchange, assignment, gift, operation of law, or in any other manner;

13. "Person" means natural persons, individuals, partnerships, firms, associations, limited liability companies, corporations, estates, trustees, business trusts, syndicates, this state, any county, city, municipality, school district or other political subdivision of the state, or any corporation or combination acting as a unit or any receiver appointed by any state or federal court. The use of the singular number shall include the plural number; and

14. "Tax Commission" means the Oklahoma Tax Commission.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1380.2 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. There shall be levied an excise tax of four and one-half percent (4.5%) 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 value of all vehicles for excise tax purposes shall be the actual sales price of such vehicle less any discounts, credits or allowances for a motor vehicle exchanged as part of the transaction. However, the value of the vehicle prior to the subtraction of such discounts, credits or allowances and the value of any such reductions for a motor vehicle exchanged as part of the transaction shall be required to be within twenty percent (20%) of the average retail price value of such vehicle as listed in

the automotive reference material prescribed by the Oklahoma Tax Commission. The actual sales price 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 bill of sale or other form which may be prescribed by the Tax Commission shall be presented to the Tax Commission or an appointed motor license agent as proof of the actual sales price. The value of any vehicle for which the transfer of ownership is the result of an even exchange, or for which there is no actual sales price, shall be the average retail price value of such vehicle as listed in the automotive reference material prescribed by the Tax Commission.

B. 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). The excise tax levied pursuant to this subsection 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. The excise tax levied pursuant to this subsection shall also not apply to pickup trucks, vans, or sport utility vehicles.

C. The transfer of legal ownership of any motor vehicle as used in this section and the Sales Tax Code and the Use Tax Code 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. The excise tax levied pursuant to this section shall not be subsequently collected at the end of the lease period if the lessee acquires complete legal title of the vehicle.

D. The tax levied pursuant to this section 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 Oklahoma Tax Commission, or an appointed motor license agent, 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 shall 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 provided in this section 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.

E. The excise tax levied pursuant to subsection A of this section and as levied pursuant to subsection B of this section on all commercial vehicles registered pursuant to Section 1120 of Title 47 of the Oklahoma Statutes, shall be in lieu of all sales and use taxes levied pursuant to the Sales Tax Code or the Use Tax Code.

F. Notwithstanding any other provisions of the Oklahoma Sales and Use Tax Codes, any county sales or use tax levy, any municipal ordinance, Sections 2701 through 2706 of Title 68 of the Oklahoma Statutes, any sales tax levy by an authority created by cities, towns or counties, or any contractual provision between the Oklahoma Tax Commission and any county, city or town relating to the collection of sales and use taxes, all counties, cities or towns

shall be prohibited from levying and collecting taxes 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.

G. For purposes of this section and the levy, collection and remittance of the excise tax levied by this section, a motor license agent shall not be considered a seller or vendor and shall not be allowed the deduction set forth in Section 1367.1 of Title 68 of the Oklahoma Statutes.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1380.3 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. The provisions of Section 7 of this act 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.

B. 1. There shall be a credit allowed with respect to the excise tax paid pursuant to Section 7 of this act 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 Oklahoma Tax 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 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1380.4 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. An original or a transfer certificate of title shall be issued without the payment of the excise tax levied by Section 7 of this act for:

1. Any vehicle owned by a nonresident person who operates principally in some other state but who is in Oklahoma only occasionally;

2. Any vehicle brought into this state by a person formerly living in another state, who has owned and registered the vehicle in such other state of residence at least sixty (60) days prior to the time it is required to be registered in this state. However, this paragraph shall not apply to businesses engaged in renting cars without a driver;

3. Any vehicle registered by the State of Oklahoma, by any of the political subdivisions thereof, or by a fire department organized pursuant to Section 592 of Title 18 of the Oklahoma Statutes to be used for the purposes of the fire department, or a vehicle which is the subject of a lease or lease-purchase agreement executed between the person seeking an original or transfer certificate of title for the vehicle and a municipality, county or school district. The person seeking an original or transfer certificate of title shall provide adequate proof that the vehicle is subject to a lease or lease-purchase agreement with a municipality, county or school district at the time the excise tax levied would otherwise be payable. The Oklahoma Tax Commission

shall have the authority to determine what constitutes adequate proof as required by this section;

4. Any vehicle, the legal ownership of which is obtained by the applicant for a certificate of title by inheritance;

5. Any used motor vehicle, travel trailer or commercial trailer which is owned and being offered for sale by a person licensed as a dealer to sell the same, pursuant to the provisions of the Oklahoma Vehicle License and Registration Act:

a. if such vehicle, travel trailer or commercial trailer has been registered in Oklahoma and the excise tax paid thereon, or

b. when such vehicle, travel trailer or commercial trailer has been registered in some other state but is not the latest manufactured model.

Provided, the provisions of this paragraph shall not be construed as allowing an exemption to any person not licensed as a dealer of used motor vehicles, travel trailers or commercial trailers or as an automotive dismantler and parts recycler in this state;

6. Any vehicle which was purchased by a person licensed to sell new or used motor vehicles in another state:

a. if such vehicle is not purchased for operation or resale in this state, and

b. the state from which the dealer is licensed offers reciprocal privileges to a dealer licensed in this state, pursuant to a reciprocal agreement between the duly authorized agent of the Tax Commission and the licensing state;

7. Any vehicle, the ownership of which was obtained by the lienholder or mortgagee under or by foreclosure of a lien or mortgage in the manner provided by law or to the insurer under subrogated rights arising by reason of loss under an insurance contract;

8. Any vehicle which is taxed on an ad valorem basis;

9. Any vehicle or motor vehicle, the legal ownership of which is obtained by transfers:

a. from one corporation to another corporation pursuant to a reorganization. As used in this subsection, the term "reorganization" means:

(1) a statutory merger or consolidation, or

(2) the acquisition by a corporation of substantially all of the properties of another corporation when the consideration is solely all or a part of the voting stock of the acquiring corporation, or of its parent or subsidiary corporation,

b. in connection with the winding-up, dissolution or liquidation of a corporation only when there is a distribution in kind to the shareholders of the property of such corporation,

c. to a corporation where the former owners of the vehicle or motor vehicle transferred are, immediately after the transfer, in control of the corporation, and the stock or securities received by each is substantially in proportion to his interest in the vehicle or motor vehicle prior to the transfer,

d. to a partnership if the former owners of the vehicle or motor vehicle transferred are, immediately after the transfer, members of such partnership and the interest in the partnership received by each is substantially in proportion to his interest in the vehicle or motor vehicle prior to the transfer,

e. from a partnership to the members thereof when made in the dissolution of such partnership,

f. to a limited liability company if the former owners of the vehicle or motor vehicle transferred are,

immediately after the transfer, members of the limited liability company and the interest in the limited liability company received by each is substantially in proportion to the interest in the vehicle or motor vehicle prior to the transfer, or

g. from a limited liability company to the members thereof when made in the dissolution of such partnership;

10. Any vehicle which is purchased by a person to be used by a business engaged in renting motor vehicles without a driver, provided:

a. the vehicle shall not be rented to the same person for a period exceeding ninety (90) days,

b. any such vehicle exempted from the excise tax by these provisions shall not be placed under any type of lease agreement,

c. on any such vehicle exempted from the excise tax by this subsection that is reregistered in this state, without a prior sale or transfer to the persons specified in divisions (1) and (2) of this subparagraph, at any time prior to the expiration of twelve (12) months from the date of issuance of the original title, the seller shall pay immediately the amount of excise tax which would have been due had this exemption not been granted plus a penalty of twenty percent (20%). No such excise tax or penalty shall become due and payable if the vehicle is sold or transferred in a condition either physical or mechanical which would render it eligible for a salvage title pursuant to law or if the vehicle is sold and transferred in this state at any time prior to the expiration of twelve (12) months:

(1) to the manufacturer of the vehicle or its controlled financing arm, or

(2) to a factory authorized franchised new motor vehicle dealer which holds a franchise of the same line-make of the vehicle being purchased, or

d. when this exemption is claimed, the Tax Commission shall issue a special title which shall restrict the transfer of the title only within this state prior to the expiration of twelve (12) months unless:

(1) payment of the excise tax plus penalty as provided in this section is made,

(2) the sale is made to a person specified in division (1) or (2) of subparagraph c of this paragraph, or

(3) the vehicle is eligible for a salvage title.

For all other tax purposes vehicles herein exempted shall be treated as though the excise tax has been paid;

11. Any vehicle of the latest manufactured model, registered from a title in the name of the original manufacturer or assigned to the original manufacturer and issued by any state and transferred to a licensed, franchised Oklahoma motor vehicle dealer, as defined by Section 1102 of Title 47 of the Oklahoma Statutes, which holds a franchise of the same line-make as the vehicle being registered;

12. Any new motor vehicle, registered in the name of a manufacturer or dealer of new motor vehicles, for which a license plate has been issued pursuant to Section 1116.1 of Title 47 of the Oklahoma Statutes, if such vehicle is authorized by the manufacturer or dealer for personal use by an individual. The authorization for such use shall not exceed four (4) months which shall not be renewed or the exemption provided by this subsection shall not be applicable. The exemption provided by this subsection shall not be

applicable to a transfer of ownership or registration subsequent to the first registration of the vehicle by a manufacturer or dealer;

13. Any vehicle, travel trailer or commercial trailer of the latest manufacturer model purchased by a franchised Oklahoma dealer licensed to sell the same which holds a franchise of the same line-make as the vehicle, travel trailer or commercial trailer being registered;

14. Any vehicle which is the subject of a lease or lease-purchase agreement and which the ownership of such vehicle is being obtained by the lessee, if the vehicle excise tax was paid at the time of the initial lease or lease-purchase agreement; or

15. Effective January 1, 1998, any vehicle which:

a. is purchased by a private, nonprofit organization which is exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and which is primarily funded by a fraternal or civic service organization with at least one hundred local chapters or clubs, and

b. is designed and used to provide mobile health screening services to the general public at no cost to the recipient, and for which no reimbursement of any kind is received from any health insurance provider, health maintenance organization or governmental program.

B. Despite any other provision to the contrary, the exemptions set forth in subsection A of this section and Section 8 of this act shall be the only exemptions permitted from the tax levied pursuant to Section 7 of this act. Any other exemptions from sales tax provided by law shall not be applicable to the tax levied in Section 7 of this act.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1380.5 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. Any person purchasing a new or used manufactured home or owning a manufactured home which has not been registered in this state shall pay the excise tax levied by subsection A of Section 7 of this act at the time such person is applying for a certificate of title for such manufactured home.

B. The value of any manufactured home for the purposes of the excise tax levied by subsection A of Section 7 of this act shall be determined as of the date the person applying for a certificate of title obtained either legal ownership or possession of the manufactured home. Such date shall be presumed to be the actual date of sale or other transfer of legal ownership and assignment of the certificate of title. The value of a new manufactured home shall be one-half (1/2) of the actual retail selling price of such a home excluding Oklahoma state taxes. The value of a used manufactured home shall be sixty-five percent (65%) of one-half (1/2) of the new actual retail selling price of the home, excluding Oklahoma state taxes.

C. The excise tax collected pursuant to subsection B of this section shall be apportioned in accordance with the provisions of Section 1104 of Title 47 of the Oklahoma Statutes.

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1380.6 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. In any case where the owner of a vehicle subject to the tax levied by Section 7 of this act fails or refuses to pay the tax, after proper demand therefor by an officer or agent of the Oklahoma Tax Commission, such officer or agent shall immediately report such failure to the Tax Commission, and shall at the same time in case of failure to pay, seize and hold the vehicle, as now provided by law

in case of failure to pay the annual vehicle license or registration fee.

B. The Tax Commission shall, upon demand of the owner of the vehicle, accord a hearing to the owner as provided by law and enter its findings and order accordingly. If it is determined by the Tax Commission that the tax is due and payable, then it shall issue its warrant, directly to the sheriff of the county, ordering and directing the sale of such vehicle according to the same procedure now provided by law for the sale of vehicles for failure to pay the annual license fee. Such seizure and sale may at the time include both the registration fee due and the excise tax levied by Section 7 of this act, together with all costs of advertisement and sale. The sale shall be conducted in all manner as provided by law for the sale of personal property under execution.

SECTION 12. AMENDATORY 47 O.S. 1991, Section 1151, as last amended by Section 3, Chapter 293, O.S.L. 1998 (47 O.S. Supp. 1998, Section 1151), is amended to read as follows:

Section 1151. A. It shall be unlawful for any person to commit any of the following acts:

1. To lend or to sell to, or knowingly permit the use of by, one not entitled thereto any certificate of title, license plate or decal issued to or in the custody of the person so lending or permitting the use thereof;

2. To alter or in any manner change a certificate of title, registration certificate, license plate or decal issued under the laws of this or any other state;

3. To procure from another state or country, or display upon any vehicle owned by such person within this state, except as otherwise provided in the Oklahoma Vehicle License and Registration Act, any license plate issued by any state or country other than this state, unless there shall be displayed upon such vehicle at all times the current license plate and decal assigned to it by the

Oklahoma Tax Commission or the vehicle shall display evidence that the vehicle is registered as a nonresident vehicle pursuant to rules promulgated by the Tax Commission, with the concurrence of the Department of Public Safety. A violation of the provisions of this paragraph shall be presumed to have occurred if a person who is the holder of an Oklahoma driver license operates a vehicle owned by such person on the public roads or highways of this state and there is not displayed on the vehicle a current Oklahoma license plate and decal, unless the vehicle is owned by a member of the Armed Forces of the United States assigned to duty in this state in compliance with official military or naval orders or the spouse of such a member of the Armed Forces;

4. To drive, operate or move, or for the owner to cause or permit to be driven or moved, upon the roads, streets or highways of this state, any vehicle loaded in excess of its registered laden weight, or which is licensed for a capacity less than the manufacturer's rated capacity as provided for in the Oklahoma Vehicle License and Registration Act;

5. To operate a vehicle without proper license plate or decal or on which all taxes due the state have not been paid;

6. To buy, sell or dispose of, or possess for sale, use or storage, any secondhand or used vehicle on which the registration or license fee has not been paid, as required by law, and on which vehicle the person neglects, fails or refuses to display at all times the license plate or decal assigned to it;

7. To give a fictitious name or fictitious address or make any misstatement of facts in application for certificate of title and registration of a vehicle;

8. To purchase a license plate on an assigned certificate of title. This particular paragraph shall be applicable to all persons except bona fide registered dealers in used cars who are holders of current and valid used car dealers' licenses;

9. To operate a vehicle upon the highways of this state after the registration deadline for that vehicle without a proper license plate, as prescribed by the Oklahoma Vehicle License and Registration Act, for the current year;

10. For any owner of a vehicle registered on the basis of laden weight to fail or refuse to weigh or reweigh it when requested to do so by any enforcement officer charged with the duty of enforcing this law;

11. To operate or possess any vehicle which bears a motor number or serial number other than the original number placed thereon by the factory except a number duly assigned and authorized by the state;

12. For any motor license agent to release a license plate, a manufactured home registration receipt, decal or excise tax receipt to any unauthorized person or source, including any dealer in new or used motor vehicles. Violation of this paragraph shall constitute sufficient grounds for discharge of a motor license agent by the Tax Commission;

13. To operate any vehicle registered as a commercial vehicle without the lettering requirements of Section 1102 of this title; or

14. To operate any vehicle in violation of the provisions of Sections 7-600 through 7-606 of this title while displaying a yearly decal issued to the owner who has filed an affidavit with the appropriate motor license agent in accordance with Section 7-607 of this title.

Any person convicted of violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction shall be punished by a fine not to exceed One Hundred Dollars ($100.00). Employees of the Motor Vehicle Division of the Tax Commission may be authorized by the Tax Commission to issue citations for a violation of paragraph 5 of this subsection. If a person convicted of violating the provisions of paragraph 5 of this

subsection was issued a citation by a duly authorized employee of the Motor Vehicle Division of the Tax Commission, the fine herein levied shall be deposited to the Oklahoma Tax Commission Revolving Fund.

B. Except as otherwise authorized by law, it shall be unlawful to:

1. Lend or sell to, or knowingly permit the use of by, one not entitled thereto any certificate of title issued for a manufactured home, manufactured home registration receipt, manufactured home registration decal or excise tax receipt;

2. Alter or in any manner change a certificate of title issued for a manufactured home under the laws of this state or any other state;

3. Remove or alter a manufactured home registration receipt, manufactured home registration decal or excise tax receipt attached to a certificate of title or attach such receipts to a certificate of title with the intent to misrepresent the payment of the required excise tax and registration fees;

4. Buy, sell, or dispose of, or possess for sale, use or storage any used manufactured home on which the registration fees or excise taxes have not been paid as required by law; or

5. Purchase identification, manufactured home registration receipt, manufactured home registration decal or excise tax receipt on an assigned certificate of title.

Anyone violating the provisions of this subsection, upon conviction, shall be guilty of a felony.

C. In the event a new vehicle is not registered within thirty (30) days from date of purchase, the penalty for the failure of the owner of the vehicle to register the vehicle within thirty (30) days shall be Twenty-five Dollars ($25.00), provided that in no event shall the penalty exceed an amount equal to the license fee. The

penalty for new commercial vehicles shall be equal to the license fee for such vehicles.

If a used vehicle is brought into Oklahoma by a resident of this state and is not registered within thirty (30) days, a penalty of twenty-five cents ($0.25) per day shall be charged from the date of entry to the date of registration, such penalty to accrue for thirty (30) days, upon failure to register, at the end of which time the penalty shall be Twenty-five Dollars ($25.00), provided that in no event shall the penalty exceed an amount equal to the license fee. The penalty for used commercial vehicles shall be equal to the license fee for such vehicles.

D. Any owner who knowingly makes or causes to be made any false statement of a fact required in this section to be shown in an application for the registration of one or more vehicles shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined not more than One Thousand Dollars ($1,000.00), or shall be imprisoned in the county jail for not more than one (1) year, or by both such fine and imprisonment.

E. Self-propelled or motor-driven cycles, known and commonly referred to as "minibikes" and other similar trade names, shall not be registered under the provisions of the Oklahoma Vehicle License and Registration Act or be permitted to be operated on the streets or highways of this state. Provided that minibikes may be operated on the streets when used in a parade. Notwithstanding other provisions of this subsection, minibikes may be registered and operated in this state by food vendor services upon streets having a speed limit of thirty (30) miles per hour or less.

All minibikes offered for sale in this state shall bear the following notice to the customer:

> "This machine is not manufactured or sold for operation on the public streets or highways. Since it is not provided with equipment required by law for street or highway use,

all persons are cautioned that any operation of this vehicle upon a public street or highway will be in violation of the motor vehicle laws of this state and will subject the violator to arrest."

Transfers and sales of such vehicles shall be subject to sales tax and not motor vehicle excise taxes.

The provisions of this subsection shall also apply to those motor-driven or operated vehicles known as "golf carts", "go-carts" and other motor vehicles which are manufactured principally for use off the streets and highways. Provided that golf carts owned by the Oklahoma Tourism and Recreation Department, and operated by employees or agents of the Oklahoma Tourism and Recreation Department, may be operated on the streets and highways of this state during daylight hours or under regulation developed by the Oklahoma Tourism and Recreation Commission, when such streets and highways are located within the boundaries of a state park. The Department shall have warning signs placed at the entrance and other locations at those state parks allowing golf carts to be operated on the streets and highways of this state located within the boundaries of those state parks. The warning signs shall state that golf carts may be on such streets and highways and that motor vehicle operators shall take special precautions to be alert for the presence of the golf carts on such streets and highways.

F. Any person violating paragraph 3 or 6 of subsection A of this section, in addition to the penal provisions provided in this section, shall pay as additional penalty a sum equal to the amount of license fees due on such vehicle or registration fees due on a manufactured home known to be in violation and such amount is hereby declared to be a lien upon the vehicle as provided in the Oklahoma Vehicle License and Registration Act. In addition to the penalty provisions provided in this section, any person violating paragraph 3 of subsection A of this section shall be deemed guilty of a

misdemeanor and shall, upon conviction, be punished by a fine of ~~One Hundred Dollars ($100.00)~~ Two Hundred Dollars ($200.00) and the suspension of such person's driver license and right to operate the vehicle.

G. Each violation of any provision of the Oklahoma Vehicle License and Registration Act for each and every day such violation has occurred shall constitute a separate offense.

H. Anyone violating any of the provisions heretofore enumerated in this section shall be guilty of a misdemeanor and upon conviction shall be fined not less than Ten Dollars ($10.00) and not to exceed One Hundred Dollars ($100.00).

I. Any violation of any portion of the Oklahoma Vehicle License and Registration Act where a specific penalty has not been imposed shall constitute a misdemeanor and upon conviction thereof the person having violated it shall be fined not less than Ten Dollars ($10.00) and not to exceed One Hundred Dollars ($100.00).

J. Any provision of Section 1101 et seq. of this title providing for proportional registration under reciprocal agreements and the International Registration Plan that relates to the promulgation of rules and regulations shall not be subject to the provisions of this section.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1156 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. For the purpose of encouraging the voluntary disclosure and payment of motor vehicle fees and taxes owed to this state, the Oklahoma Tax Commission is hereby authorized beginning July 1, 1999, through September 30, 1999, to establish a tax amnesty program during which penalties imposed pursuant to the provisions of the Oklahoma Vehicle License and Registration Act shall be waived if any taxpayer voluntarily registers a motor vehicle and pays all excise taxes and registration taxes or fees owed pursuant to the provisions

of the Oklahoma Vehicle License and Registration Act. The waiver of penalties shall apply to the nonpayment of vehicle excise taxes and registration taxes or fees which are delinquent prior to July 1, 1999.

B. The terms and other conditions of this program shall be determined by the Tax Commission.

C. The Tax Commission is authorized to expend necessary available funds to publicly advertise this program, and the advertisements shall correctly state the purposes and conditions of the program.

D. The Tax Commission shall be exempt from the provisions of Section 85.7 of Title 74 of the Oklahoma Statutes for the purpose of implementing this section.

SECTION 14. AMENDATORY 68 O.S. 1991, Section 2110, as amended by Section 1, Chapter 138, O.S.L. 1992 (68 O.S. Supp. 1998, Section 2110), is amended to read as follows:

Section 2110. A. There is hereby levied a rental tax of six percent (6%) on the gross receipts of all motor vehicle rental agreements as provided in this section. This tax shall be levied on any rental agreement of ninety (90) days or less duration on any motor vehicle that is rented to a person by a business engaged in renting motor vehicles without a driver in Oklahoma, irrespective of the state in which the vehicle is registered. This rental tax shall not apply to the following:

1. Any lease agreements;

2. Any truck or truck-tractor registered pursuant to the provisions of Section 1120 or Section 1133 of Title 47 of the Oklahoma Statutes having a laden weight or a combined laden weight of eight thousand (8,000) pounds or more; or

3. Any trailer or semitrailer registered pursuant to the provisions of Section 1133 of Title 47 of the Oklahoma Statutes. For purposes of this section, "vehicle" and "person" shall have the

same meanings as these terms are defined in Section ~~2101~~ 6 of this ~~title~~ act.

B. The rental tax specified in subsection A of this section shall be apportioned in the manner as provided for in Section ~~2102~~ 1104 of ~~this title~~ Title 47 of the Oklahoma Statutes.

C. The tax hereby levied shall be collected at the time of the payment of the rental agreement and shall be due and payable to the Tax Commission by the business engaged in renting these vehicles on the fifteenth day of each month following the month in which payments for rental agreements subject to tax are made. The Tax Commission shall implement such rules and regulations and devise such forms as it deems necessary for the orderly collection of this tax and the excise tax and penalty provided for in ~~subsection (i)~~ paragraph 10 of subsection A of Section ~~2105~~ 9 of this ~~title~~ act.

SECTION 15. REPEALER 68 O.S. 1991, Sections 2101, as amended by Section 44, Chapter 366, O.S.L. 1993, 2102, 2103, as amended by Section 21, Chapter 294, O.S.L. 1997, 2104, as amended by Section 2, Chapter 300, O.S.L. 1992, 2104.1, 2104.3, 2105, as last amended by Section 5 of Enrolled Senate Bill No. 694 of the 1st Session of the 47th Oklahoma Legislature, 2106 and 2108 (68 O.S. Supp. 1998, Sections 2101, 2103 and 2104) are hereby repealed.

SECTION 16. This act shall become effective July 1, 1999.

SECTION 17. 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.

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