

ENROLLED SENATE
BILL NO. 322

By: Monson of the Senate

and

Taylor, Tyler, Collins,
Roberts, Weaver and Adair
of the House

An Act relating to motor vehicles; amending Section 7 of Enrolled House Bill No. 1734 of the 1st Session of the 47th Oklahoma Legislature, which relates to taxation of motor vehicles; modifying determination of value of vehicles for excise tax purposes; and providing a conditional effective date.

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

SECTION 1. AMENDATORY Section 7 of Enrolled House Bill No. 1734 of the 1st Session of the 47th Oklahoma Legislature, is amended to read as follows:

Section 7. 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, or less the actual sales price of a motor vehicle sold by the taxpayer within thirty (30) days prior to or after the date of purchase of the vehicle upon which the excise tax is levied. 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 or sold by the taxpayer within thirty (30) days prior to or after the date of purchase of the vehicle upon which the excise tax is levied 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 2. This act shall become effective conditioned upon enactment of Enrolled House Bill No. 1734 of the 1st Session of the 47th Oklahoma Legislature and shall be effective on the same day the provisions of Enrolled House Bill No. 1734 of the 1st Session of the 47th Oklahoma Legislature become effective.

Passed the Senate the 20th day of May, 1999.

President of the Senate

Passed the House of Representatives the 20th day of May, 1999.

Speaker of the House of Representatives