

STATE OF OKLAHOMA

1st Session of the 47th Legislature (1999)

SENATE BILL NO. 598

By: Robinson

AS INTRODUCED

An Act relating to motor vehicles; creating a revolving fund; providing for deposit of certain monies; providing procedure for expenditures; prohibiting certain expenditures; requiring State Treasurer to make certain estimate; requiring filing of estimate; providing for apportionment of certain monies; 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 license fees; providing for adjustment to license fees; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1161 of Title 47, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a fund to be known as the "Tobacco Settlement Revolving Fund" in which shall be deposited all monies received by the State in settlement of claims against tobacco manufacturers, including interest earned thereon. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State of Oklahoma from settlement of claims against tobacco manufacturers. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended as provided by this act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

No money on deposit with the State Treasurer to the credit of the Tobacco Settlement Revolving Fund shall be expended except pursuant to this act.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1161.1 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. No later than the June 1, 2000, and June 1 of each year thereafter, the State Treasurer shall estimate the amount of earnings which will accrue to the Tobacco Settlement Revolving Fund for the succeeding fiscal year. Such estimate shall be filed with the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives and the Oklahoma Tax Commission.

B. In each month of the succeeding fiscal year an amount of money equal to the lesser of the amount of revenue which would be collected pursuant to subsection A of Section 1132 of Title 47 of the Oklahoma Statutes without the adjustment provided in subsection D of such section, or one-twelfth (1/12) of ninety percent (90%) of the estimate made pursuant to the provisions of subsection A of this section shall be apportioned and distributed by the State Treasurer from the Tobacco Settlement Revolving Fund in the manner and proportions specified in Section 1104 of Title 47 of the Oklahoma Statutes for the apportionment of monies collected pursuant to the Oklahoma Vehicle License and Registration Act. Provided, in any fiscal year that ninety percent (90%) of the estimate exceeds the amount of revenue which would be collected in such succeeding fiscal year pursuant to subsection A of Section 1132 of Title 47 of the Oklahoma Statutes without the adjustment provided in subsection D of such section, then the amount of money by which ninety percent (90%) of the estimate exceeds the amount of revenue which would be collected in such succeeding fiscal year pursuant to subsection A of Section 1132 of Title 47 of the Oklahoma Statutes without the adjustment provided in subsection D of such section shall be apportioned from the Tobacco Settlement Revolving Fund to the General Revenue Fund of the State in the succeeding fiscal year.

SECTION 3. 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 as adjusted pursuant to subsection D of this section 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).

D. 1. The Oklahoma Tax Commission shall, prior to July 1 of each year, estimate the amount of revenue which would be collected pursuant to subsection A of this section for the succeeding fiscal year without any adjustment. For the fiscal year beginning July 1, 2000, and for each fiscal year thereafter, the fee assessed pursuant to subsection A of this section for the following fiscal year shall be reduced by an adjustment factor based on the estimated interest income of the Tobacco Settlement Revolving Fund and prior years expenditures by the taxpayers for registration of automobiles in Oklahoma as set forth in paragraph 2 of this subsection.

2. A percentage shall be determined annually by dividing ninety percent (90%) of the estimate made by the State Treasurer pursuant to Section 2 of this act by the estimated amount of revenue which would be collected pursuant to subsection A of this section without any adjustment. A ratio shall be determined by dividing the actual amount paid for registration of vehicles in Oklahoma pursuant to this section by the taxpayer in the previous 36 months by the amount calculated pursuant to subsection A of this section; provided such ratio shall never be greater than 1.0.

3. The fee assessed pursuant to subsection A of this section shall be adjusted by subtracting from the amount calculated pursuant to subsection A of this section an amount determined by multiplying the ratio determined in paragraph 2 of this subsection by the percentage determined by paragraph 2 of this subsection by the amount calculated pursuant to subsection A of this section.

SECTION 4. This act shall become effective September 1, 1999.

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