

STATE OF OKLAHOMA

2nd Session of the 48th Legislature (2002)

HOUSE BILL HB2740

By: Nations

AS INTRODUCED

An Act relating to motor vehicles; amending 47 O.S. 2001, Sections 1102 (Section 1, Chapter 149, O.S.L. 2001), 1105, 1115, 1132, 1151 and 1151.1, which relate to vehicle registration; defining term; providing for certificates of title for all-terrain vehicles; requiring certain vehicles be registered annually and providing registration dates, fees and license plates or decals; making registration optional for all-terrain vehicles purchased before certain date; providing for apportionment of certain registration fees; deleting certain prohibitions related to all terrain vehicles; amending 68 O.S. 2001, Sections 2101, 2102 and 2103, which relate to motor vehicle excise tax; modifying definition and defining term; modifying apportionment of certain revenues; providing for levy of motor vehicle excise tax upon certain transfers of ownership; providing that tax not due upon issuance of certain certificates of title; 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. 2001, Section 1102

(Section 1, Chapter 149, O.S.L. 2001), is amended to read as follows:

Section 1102. As used in ~~this act~~ the Oklahoma Vehicle License and Registration Act:

1. "All-terrain vehicle" means a motorized vehicle manufactured and used exclusively for off-highway use which is fifty (50) inches or less in width, with an unladen dry weight of six hundred (600) pounds or less, traveling on two or more low-pressure tires, with a seat designed to be straddled by the operator and handlebars for steering control;

2. "Carrying capacity" means the carrying capacity of a vehicle as determined or declared in tons of cargo or payload by the owner, provided, that such declared capacity shall not be less than the minimum tonnage capacity fixed, listed or advertised by the manufacturer of any vehicle;

~~2.~~ 3. "Certificate of title" means a document which is proof of legal ownership of a motor vehicle as described and provided for in Section 1105 of this title;

~~3.~~ 4. "Chips and oil" or the term "road oil and crushed rock" means, with respect to materials authorized for use in the surfacing of roads or highways in this title or in any equivalent statute pertaining to road or highway surfacing in the State of Oklahoma, any asphaltic materials. Wherever chips and oil or road oil and crushed rock are authorized for use in the surfacing of roads or highways in this state, whether by the Department of Transportation, or by the county commissioners, or other road building authority subject to the Oklahoma Vehicle License and Registration Act, asphaltic materials are also authorized for use in such surfacing and construction;

~~4.~~ 5. "Combined laden weight" means the weight of a truck or station wagon and its cargo or payload transported thereon, or the weight of a truck or truck-tractor plus the weight of any trailers or semitrailers together with the cargo or payload transported thereon;

~~5.~~ 6. "Commercial trailer" means any trailer, as defined in Section 1-180 of this title, or semitrailer, as defined in Section 1-162 of this title, when such trailer or semitrailer is used primarily for business or commercial purposes;

~~6.~~ 7. "Commercial trailer dealer" means any person, firm or corporation engaged in the business of selling any new and unused, or used, or both new and used commercial trailers;

~~7.~~ 8. "Commercial vehicle" means any vehicle over eight thousand (8,000) pounds combined laden weight used primarily for business or commercial purposes. Each motor vehicle being registered pursuant to the provisions of this section shall have the name of the commercial establishment or the words "Commercial Vehicle" permanently and prominently displayed upon the outside of the vehicle in letters not less than two (2) inches high. Such letters shall be in sharp contrast to the background and shall be of sufficient shape and color as to be readily legible during daylight hours, from a distance of fifty (50) feet while the vehicle is not in motion;

~~8.~~ 9. "Commission" or "Tax Commission" means the Oklahoma Tax Commission;

~~9.~~ 10. "Dealer" means any person, firm, association, corporation or trust who sells, solicits or advertises the sale of new and unused motor vehicles and holds a bona fide contract or franchise in effect with a manufacturer or distributor of a particular make of new or unused motor vehicle or vehicles for the sale of same;

~~10.~~ 11. "Interstate commerce" means any commerce moving between any place in a state and any place in another state or between places in the same state through another state;

~~11.~~ 12. "Laden weight" means the combined weight of a vehicle when fully equipped for use and the cargo or payload transported thereon; provided that in no event shall the laden weight be less than the unladen weight of the vehicle fully equipped for use, plus the manufacturer's rated carrying capacity;

~~12.~~ 13. "Local authorities" means every county, municipality or local board or body having authority to adopt police regulations under the Constitution and laws of this state;

~~13.~~ 14. "Manufactured home" means a residential dwelling built in accordance with the National Manufactured Housing Construction

and Safety Standards Act of 1974, 42 U.S.C., Section 5401 et seq., and rules promulgated pursuant thereto and the rules promulgated by the Oklahoma Used Motor Vehicle and Parts Commission pursuant to Section 582 of this title;

~~14.~~ 15. "Manufactured home dealer" means any person, firm or corporation engaged in the business of selling any new and unused, or used, or both new and used manufactured homes. Such information and a valid franchise letter as proof of authorization to sell any such new manufactured home product line or lines shall be attached to said application for a dealer license to sell manufactured homes. "Manufactured home dealer" shall not include any person, firm or corporation who sells or contracts for the sale of the dealer's own personally titled manufactured home or homes. No person, firm or corporation shall be considered a manufactured home dealer as to any manufactured home purchased or acquired by such person, firm or corporation for purposes other than resale; provided, that the restriction set forth in this sentence shall not prevent an otherwise qualified person, firm or corporation from utilizing a single manufactured home as a sales office;

~~15.~~ 16. "Motor license agent" means any person appointed, designated or authorized by the Oklahoma Tax Commission to collect the fees and to enforce the provisions provided for in the Oklahoma Vehicle License and Registration Act;

~~16.~~ 17. "New vehicle" or "unused vehicle" means a vehicle which has been in the possession of the manufacturer, distributor or wholesaler or has been sold only by the manufacturer, distributor or wholesaler to a dealer;

~~17.~~ 18. "Nonresident" means any person who is not a resident of this state;

~~18.~~ 19. "Owner" means any person owning, operating or possessing any vehicle herein defined;

~~19.~~ 20. "Person" means any individual, copartner, joint venture, association, corporation, limited liability company, estate, trust, business trust, syndicate, the State of Oklahoma, or any county, city, municipality, school district or other political subdivision thereof, or any group or combination acting as a unit, or any receiver appointed by the state or federal court;

~~20.~~ 21. "Recreational vehicle" means every vehicle which is built on or permanently attached to a self-propelled motor chassis or chassis cab which becomes an integral part of the completed vehicle and is capable of being operated on the highways. In order to qualify as a recreational vehicle pursuant to this paragraph such vehicle shall be permanently constructed and equipped for human habitation, having its own sleeping and kitchen facilities, including permanently affixed cooking facilities, water tanks and holding tank with permanent toilet facilities. Recreational vehicle shall not include manufactured homes or any vehicle with portable sleeping, toilet and kitchen facilities which are designed to be removed from such vehicle;

~~21.~~ 22. "Remanufactured vehicle" means a vehicle which has been assembled by a vehicle remanufacturer using a new body and which may include original, reconditioned, or remanufactured parts, and which is not a salvage, rebuilt, or junked vehicle as defined by paragraphs 1, 2, and 5, respectively, of subsection A of Section 1105 of this title;

~~22.~~ 23. "Rental trailer" means all small or utility trailers or semitrailers constructed and suitable for towing by a passenger automobile and designed only for carrying property, when said trailers or semitrailers are owned by, or are in the possession of, any person engaged in renting or leasing such trailers or semitrailers for intrastate or interstate use or combined intrastate and interstate use;

~~23.~~ 24. "Special mobilized machinery" means special purpose machines, either self-propelled or drawn as trailers or semitrailers, which derive no revenue from the transportation of persons or property, whose use of the highway is only incidental, and whose useful revenue producing service is performed at destinations in an area away from the traveled surface of an established open highway;

~~24.~~ 25. "State" means the State of Oklahoma;

~~25.~~ 26. "Station wagon" means any passenger vehicle which does not have a separate luggage compartment or trunk and which does not have open beds, and has one or more rear seats readily lifted out or folded, whether same is called a station wagon or ranch wagon;

~~26.~~ 27. "Travel trailer" means any vehicular portable structure built on a chassis, used as a temporary dwelling for travel, recreational or vacation use, and, when factory-equipped for the road, it shall have a body width not exceeding eight (8) feet and an overall length not exceeding forty (40) feet, including the hitch or coupling;

~~27.~~ 28. "Travel trailer dealer" means any person, firm or corporation engaged in the business of selling any new and unused, or used, or both new and used travel trailers. Such information and a valid franchise letter as proof of authorization to sell any such new travel trailer product line or lines shall be attached to said application for a dealer license to sell travel trailers. "Travel trailer dealer" shall not include any person, firm or corporation who sells or contracts for the sale of his or her own personally titled travel trailer or trailers. No person, firm or corporation shall be considered as a travel trailer dealer as to any travel trailer purchased or acquired by such person, firm or corporation for purposes other than resale;

~~28.~~ 29. "Used motor vehicle dealer" means "used motor vehicle dealer" as defined in Section 581 of this title;

~~29.~~ 30. "Used vehicle" means any vehicle which has been sold, bargained, exchanged or given away, or used to the extent that it has become what is commonly known, and generally recognized, as a "secondhand" vehicle. This shall also include any vehicle other than a remanufactured vehicle, regardless of age, owned by any person who is not a dealer;

~~30.~~ 31. "Vehicle" means any type of conveyance or device in, upon or by which a person or property is or may be transported from one location to another upon the avenues of public access within the state. "Vehicle" does not include bicycles, trailers except travel trailers and rental trailers, or implements of husbandry as defined in Section 1-125 of this title. All implements of husbandry used as conveyances shall be required to display the owner's driver's license number or license plate number of any vehicle owned by the owner of the implement of husbandry on the rear of the implement in numbers not less than two (2) inches in height. The use of the owner's social security number on the rear of the implement of husbandry shall not be required; and

~~31.~~ 32. "Vehicle remanufacturer" means a commercial entity which assembles remanufactured vehicles.

SECTION 2. AMENDATORY 47 O.S. 2001, Section 1105, is amended to read as follows:

Section 1105. A. As used in the Oklahoma Vehicle License and Registration Act, ~~Section 1101 et seq. of this title:~~

1. "Salvage vehicle" means any vehicle which is within the last ten (10) model years and which has been damaged by collision or other occurrence to the extent that the cost of repairing the vehicle for safe operation on the highway exceeds sixty percent (60%) of its fair market value, as defined by Section 1111 of this title, immediately prior to the damage. For purposes of this section, actual repair costs shall only include labor and parts for

actual damage to the suspension, motor, transmission, frame or unibody and designated structural components;

2. "Rebuilt vehicle" means any salvage vehicle which has been rebuilt and inspected for the purpose of registration and title;

3. "Flood-damaged vehicle" means a salvage or rebuilt vehicle which was damaged by flooding or a vehicle which was submerged at a level to or above the dashboard of the vehicle and on which an amount of loss was paid by the insurer;

4. "Recovered-theft vehicle" means a salvage or rebuilt vehicle which was recovered from a theft; and

5. "Junked vehicle" means any vehicle which is incapable of operation or use on the highway, has no resale value except as a source of parts or scrap and has an eighty percent (80%) loss in fair market value.

B. The owner of every vehicle in this state shall possess a certificate of title as proof of ownership of such vehicle, except those vehicles registered pursuant to Section 1120 of this title and trailers registered pursuant to Section 1133 of this title, previously titled in another state and engaged in interstate commerce, and except as provided in subsection M of this section. The owner of an all-terrain vehicle in this state which was purchased or the ownership of which was transferred after June 30, 2002, shall possess a certificate of title as proof of ownership of the all-terrain vehicle. There shall be six types of certificates of title:

1. Original title for any motor vehicle which is not a remanufactured, salvage, rebuilt or junked vehicle;

2. Salvage title for any motor vehicle which is a salvage vehicle or is specified as a salvage vehicle or the equivalent thereof on a certificate of title from another state;

3. Rebuilt title for any motor vehicle which is a rebuilt vehicle;

4. Junked title for any motor vehicle which is a junked vehicle or is specified as a junked vehicle or the equivalent thereof on a certificate of title from another state;

5. Classic title for any motor vehicle, except a junked vehicle, which is twenty-five (25) model years or older; and

6. Remanufactured title for any vehicle which is a remanufactured vehicle.

Application for a certificate of title, whether the initial certificate of title or a duplicate, may be made to the Oklahoma Tax Commission or any motor license agent. When application is made with a motor license agent, the application information shall be transmitted either electronically or by mail to the Tax Commission by the motor license agent. If the application information is transmitted electronically, the motor license agent shall forward the required application along with evidence of ownership, where required, by mail. Where the transmission of application information cannot be performed electronically, the Tax Commission is authorized to provide postage paid envelopes to motor license agents for the purpose of mailing the application along with evidence of ownership, where required. The Tax Commission shall upon receipt of proper application information issue an Oklahoma certificate of title. The certificates may be mailed to the applicant. Upon issuance of a certificate of title, the Tax Commission shall provide the appropriate motor license agent with confirmation of such issuance.

C. 1. The application for certificate of title shall be upon a blank form furnished by the Tax Commission, containing:

- a. a full description of the vehicle,
- b. the manufacturer's serial or other identification number,
- c. the motor number and the date on which first sold by the manufacturer or dealer to the owner,

- d. any distinguishing marks,
- e. a statement of the applicant's source of title,
- f. any security interest upon the vehicle, and
- g. such other information as the Commission may require.

2. The application for a certificate of title for a vehicle which is within the last seven (7) model years shall require a declaration as to whether the vehicle has been damaged by collision or other occurrence and whether the vehicle has been recovered from theft and the extent of the damage to the vehicle. The declaration shall be made by the owner of a vehicle if:

- a. the vehicle has been damaged or stolen,
- b. the owner did or did not receive any payment for the loss from an insurer, or
- c. the vehicle is titled or registered in a state that does not classify the vehicle or brand the title because of damage to or loss of the vehicle similar to the classifications or brands utilized by this state.

The declaration shall be based upon the best information and knowledge of the owner and shall be in addition to the requirements specified in paragraph 1 of this subsection. The Tax Commission shall not issue a certificate of title for a vehicle which is subject to the provisions of this paragraph without the required declaration, completed and signed by the owner of the vehicle. Upon receipt of an application without the properly completed declaration, the Tax Commission shall return the application to the applicant with notice that the title may not be issued without the required declaration. Nothing in this paragraph shall prohibit the Tax Commission from recognizing the type of or brand on a title or other ownership document issued by another state or the inspection conducted in another state and issuing the appropriate certificate of title for the vehicle.

3. The certificate of title shall have the following security features:

- a. intaglio printing or security thread, with or without watermark,
- b. latent images,
- c. fluorescent inks,
- d. micro print,
- e. void background, and
- f. color coding.

4. Each title issued pursuant to the provisions of the Oklahoma Vehicle License and Registration Act shall be color coded as determined by the Tax Commission.

5. The certificate of title shall be of such size and design and color as the Tax Commission may direct pursuant to the provisions of this section. The title shall be on colored paper or other material as designated by the Tax Commission and be of such intensity or hue as will allow easy identification as to whether the title is an original title, a salvage title, a rebuilt title, remanufactured title, or a junked title. The type of title shall be identified on the front of the certificate of title. The original title, rebuilt title, remanufactured title, or classic title shall be identified by the word "Original", "Rebuilt", "Remanufactured" or "Classic" printed in the upper right quadrant of the certificate of title, in the space which is currently captioned "type of title".

D. 1. To obtain an original certificate of title for a vehicle that is being registered for the first time in this state which has not been previously registered in any other state, the applicant shall be required to deliver, as evidence of ownership, a manufacturer's certificate of origin properly assigned by the manufacturer, distributor, or dealer licensed in this or any other state shown thereon to be the last transferee to the applicant upon

a form to be prescribed and approved by the Tax Commission. A manufacturer's certificate of origin shall contain:

- a. the manufacturer's serial or other identification number,
- b. date on which first sold by the manufacturer to the dealer,
- c. any distinguishing marks including model and the year same was made,
- d. a statement of any security interests upon the vehicle, and
- e. such other information as the Tax Commission may require.

2. The manufacturer's certificate of origin shall have the following security features:

- a. intaglio printing or security thread, with or without watermark,
- b. latent images,
- c. fluorescent inks,
- d. micro print, and
- e. void background.

E. In the absence of a dealer's or manufacturer's number, the Tax Commission may assign such identifying number to the vehicle, which shall be permanently stamped, burned or pressed or attached into the vehicle, and a certificate of title shall be delivered to the applicant upon payment of all fees and taxes, and the remaining copies shall be permanently filed and indexed by the Tax Commission. The Tax Commission shall assign an identifying number to any rebuilt vehicle if the vehicle identification number displayed on the rebuilt vehicle does not accurately describe the vehicle as rebuilt. The motor license agent, at the time of inspection of the rebuilt vehicle pursuant to Section 1111 of this title, shall identify the make, model, and year for the body to accurately describe the

rebuilt vehicle. At the time of the inspection, an appropriate identifying number shall be permanently stamped, burned, pressed, or attached on the rebuilt vehicle. The assigned identifying number shall be recorded on the certificate of title for the rebuilt vehicle. The dealer's or manufacturer's vehicle identification number on the rebuilt vehicle shall be preserved in the computer files of the Tax Commission for at least five (5) years.

F. When registering for the first time in this state a vehicle which was not originally manufactured for sale in the United States, to obtain a certificate of title, the Tax Commission shall require the applicant to deliver:

1. As evidence of ownership, if the vehicle has not previously been titled in the United States, the documents constituting valid proof of ownership in the country in which the vehicle was originally purchased, together with a notarized translation of any such documents; and

2. As evidence of compliance with federal law, copies of the bond release letters for the vehicle issued by the United States Environmental Protection Agency and the United States Department of Transportation, together with a receipt issued by the Internal Revenue Service indicating that the applicable federal gas guzzler tax has been paid.

The Tax Commission shall not issue a certificate of title for a vehicle which is subject to the provisions of this paragraph without the required documentation from agencies of the United States and evidence of ownership. Upon receipt of an application without the required documentation, the Tax Commission shall return the application to the applicant with notice that the certificate of title may not be issued without the required documentation. Nothing in this paragraph shall prohibit the Tax Commission from issuing certificates of title for antique or classic vehicles not driven upon the public streets, roads, or highways.

G. When registering in this state a vehicle which was titled in another state and which title contains the name of a secured party on the face of the other state certificate of title, or such state certificate is being held by the secured party in that state or any other state, the Tax Commission or the motor license agent shall complete a lien entry form as prescribed by the Tax Commission. The owner of such vehicle shall file an affidavit with the Tax Commission or the motor license agent stating that title to the vehicle is being held by a secured party has not been issued pursuant to the laws of the state where titled, and that there is an existing lien or encumbrance on the vehicle. The current name and address of the secured party or lienholder shall also be stated in the affidavit. The form of the affidavit shall be prescribed by the Tax Commission and contain any other information deemed necessary by the Tax Commission. A statement of the lien or encumbrance shall be included on the Oklahoma certificate of title and the lien or encumbrance shall be deemed continuously perfected as though it had been perfected pursuant to Section 1110 of this title. For completing the lien entry form and recording the security interest on the certificate of title, the Tax Commission or the motor license agent shall collect a fee of Three Dollars (\$3.00) which shall be in addition to other fees provided by the Oklahoma Vehicle License and Registration Act. The fee, if collected by the motor license agent pursuant to this subsection, shall be retained by the motor license agent.

H. The charge for each certificate of title issued, except for junked titles as defined in paragraph 4 of subsection B of this section, shall be Eleven Dollars (\$11.00), which charge shall be in addition to any other fees or taxes imposed by law for such vehicle. One Dollar (\$1.00) of each such charge shall be deposited in the Oklahoma Tax Commission Reimbursement Fund. However, the charge shall not apply to any vehicle which is to be registered in this

state pursuant to the provisions of Section 1120 or 1133 of this title and which was registered in another state at least sixty (60) days prior to the time it is required to be registered in this state.

I. The vehicle identification number of a junked vehicle shall be preserved in the computer files of the Tax Commission for a period of not less than five (5) years. The charge of junked titles as defined in paragraph 4 of subsection B of this section shall be Four Dollars (\$4.00). The fee remitted to the Tax Commission shall be deposited in the Oklahoma Tax Commission Reimbursement Fund.

J. If a vehicle is sold to a resident of another state, destroyed, dismantled, or ceases to be used as a vehicle, the owner shall immediately notify the Tax Commission. Absent evidence to the contrary, failure to notify the Tax Commission shall be prima facie evidence that the vehicle has been in continuous operation in this state.

K. If a vehicle is stolen, the owner shall immediately notify the appropriate law enforcement agency. Immediately after receiving such notification, the law enforcement agency shall notify the Tax Commission.

L. No title for an out-of-state vehicle, except any commercial truck or truck-tractor registered pursuant to Section 1120 of this title which is engaged in interstate commerce or any trailer or semitrailer registered pursuant to Section 1133 of this title which is engaged in interstate commerce, shall be issued without an inspection of such vehicle and payment of a fee of Four Dollars (\$4.00) for such inspection; provided, the Tax Commission may enter into reciprocal agreements with other states for such inspections to be performed at locations outside the boundaries of this state for vehicles which:

1. Are offered for sale at auction;

2. Have been solely used as vehicles for rent under the ownership of a licensed motor vehicle dealer or a person engaged in the business of renting motor vehicles; or

3. Have not been registered in this or any other state for more than one (1) year.

The inspection shall include a comparison of the vehicle identification number on the vehicle with the number recorded on the ownership records and the recording of the actual odometer reading on the vehicle. The Four Dollar (\$4.00) fee shall be collected by the motor license agent or Commission when the title is issued. The motor license agent shall retain Two Dollars (\$2.00). The remaining Two Dollars (\$2.00) shall be deposited in the Oklahoma Tax Commission Reimbursement Fund.

The Tax Commission may allow the inspection to be performed at a location out-of-state by another state's department of motor vehicles or state police.

M. No title for any out-of-state vehicle offered for sale at salvage pools, salvage disposal sales, or an auction, or by a dealer or a licensed automotive dismantler and parts recycler, shall be issued without an inspection to compare the vehicle identification number on the vehicle with the number recorded on the ownership record and to record the actual odometer reading on the vehicle. Upon request of the seller, person or entity conducting an auction, dealer or licensed dismantler, the inspection shall be conducted at the location or place of business of the sale, auction, dealer, or the dismantler. The inspection shall be conducted by any motor license agent or a duly authorized employee thereof; provided, the Tax Commission may enter into reciprocal agreements with other states for such inspections to be performed at locations outside the boundaries of this state for vehicles which:

1. Are offered for sale at auction;

2. Have been solely used as vehicles for rent under the ownership of a licensed motor vehicle dealer or a person engaged in the business of renting motor vehicles; or

3. Have not been registered in this or any other state for more than one (1) year.

The inspection shall be certified upon forms prescribed by the Tax Commission. The name and other identification of the authorized person conducting the inspection shall be legibly printed or typed on the form. Prior to any inspection by any employee of a motor license agent, the motor license agent shall notify the Tax Commission of the name and any other identification information requested by the Tax Commission of the authorized person. A signature specimen of the authorized person shall be submitted to the Tax Commission by the employing motor license agent. If the authorization to inspect vehicles is withdrawn or the employer-employee relationship is terminated, the motor license agent, immediately, shall notify the Tax Commission and return any remaining inspection forms to the Tax Commission. The fee for the inspection shall be Four Dollars (\$4.00). The motor license agent shall retain Three Dollars (\$3.00) of the fee. Fees received by a motor license agent or an authorized employee thereof shall be handled and accounted for in the manner as prescribed by law for any other fees paid to or received by a motor license agent. Out-of-state vehicles brought into this state by a person licensed in another state to sell new or used vehicles to be sold within this state at a motor vehicle auction which is limited to dealer to dealer transactions shall not be required to be inspected, unless the vehicle is purchased by an Oklahoma dealer. Any person licensed in another state to sell new or used motor vehicles, who offers a motor vehicle for sale within this state at a motor vehicle auction which is limited to dealer to dealer transactions, shall not be

within the definition of "owner" in Section 1102 of this title, for purposes of Section 1101 et seq. of this title.

N. An out-of-state vehicle which has been rebuilt shall be inspected pursuant to the provisions of Section 1111 of this title. The Tax Commission shall train motor license agents in interpreting vehicle identification numbers to assure that it accurately describes the vehicle and to detect rollback or alteration of the odometer. Failure of a motor license agent to inspect the vehicle and make the required notations shall be a misdemeanor punishable by a fine of not more than One Thousand Dollars (\$1,000.00) for the first offense and Five Thousand Dollars (\$5,000.00) for the second offense or subsequent offense, or by imprisonment in the county jail for not more than six (6) months, or by both such fine and imprisonment.

O. The ownership of any vehicle which has been declared a total loss because of theft shall be transferred to the insurer by a salvage title. Upon recovery of the vehicle from theft, the ownership shall be transferred by an original title, salvage title, or junked title, as may be appropriate based upon an estimate of the amount of loss submitted by the insurer.

P. The owner of any vehicle which is incapable of operation or use on the public roads and has no resale value, except as parts, scrap or junk, may deliver the certificate of title to the vehicle to the Tax Commission for cancellation. Upon verification that any perfected lien against the vehicle has been released, the certificate of title shall be canceled without any fee, charge, or cost required from the owner. The vehicle identification numbers on the certificates of title shall be preserved in the computer files of the Tax Commission for at least five (5) years from the date of cancellation of the certificate of title. The Tax Commission shall prescribe and provide an affidavit form to be completed by the owner of any vehicle for which the certificate of title is canceled. No

title or registration shall subsequently be issued for a vehicle for which the certificate of title has been surrendered pursuant to this subsection. The Tax Commission shall prescribe a form for the transfer of ownership of a vehicle for which the certificate of title has been canceled.

Q. The owner of a vehicle which is not within the last ten (10) model years, not roadworthy and not capable of repair for operation or use on the roads and highways shall transfer the vehicle only upon a certificate of ownership prescribed by the Tax Commission, if the certificate of title to the vehicle is lost, has been canceled, or otherwise not available. The prescribed ownership form shall include the names and addresses of the buyer and seller, the driver license number or social security number of the seller, the make and model of the vehicle, and the public vehicle identification number. If there is no public vehicle identification number, the vehicle shall be inspected by a law enforcement officer to verify the absence of the number on the vehicle and the prescribed ownership form shall include a signed statement, by such officer, verifying the absence of the number.

The certificate of ownership shall be completed in triplicate. The buyer and seller shall each retain a copy. Within thirty (30) days of the transaction, the seller shall submit one copy to the Tax Commission or a motor license agent accompanied with a fee of Four Dollars (\$4.00). One Dollar (\$1.00) shall be retained by the motor license agent and Three Dollars (\$3.00) shall be deposited in the Oklahoma Tax Commission Reimbursement Fund in the State Treasury.

Upon receipt of the certificate, the Tax Commission shall verify that any perfected lien upon the vehicle has been released. If the lien is not released, the Tax Commission shall mail notice of the transfer to the lienholder at the lienholder's last-known address. If a certificate of title has been issued, it shall be canceled and the vehicle identification number shall be preserved in the computer

of the Tax Commission for at least five (5) years. The buyer of the vehicle may not be sued and shall not be liable for monetary damages to the lienholder, however, the vehicle shall be subject to a valid repossession by a lienholder.

R. The Tax Commission shall notify the chief administrative officer of the agency or department responsible for issuing motor vehicle certificates of title in each state in the United States of the types of motor vehicle certificate of title effective in Oklahoma on and after January 1, 1989.

S. When registering for the first time in this state a remanufactured vehicle which has not been registered in any other state since its remanufacture, before issuing a certificate of title, the Tax Commission shall require the applicant to deliver a statement of origin from the remanufacturer.

SECTION 3. AMENDATORY 47 O.S. 2001, Section 1115, is amended to read as follows:

Section 1115. A. Unless provided otherwise by statute, the following vehicles shall be registered annually: manufactured homes, ~~mopeds, motorcycles,~~ vehicles registered with a permanent nonexpiring license plate pursuant to Section 1113 of this title, commercial vehicles registered pursuant to the provisions of the International Registration Plan and commercial vehicles registered pursuant to the installment plan provided in subsection H of Section 1133 of this title. The following schedule shall apply for such vehicle purchased in this state or brought into this state by residents of this state:

1. Between January 1 and March 31, the payment of the full annual fee shall be required;

2. Between April 1 and June 30, the payment of three-fourths (3/4) the annual fee shall be required;

3. Between July 1 and September 30, the payment of one-half (1/2) the annual fee shall be required; and

4. Between October 1 and November 30, one-fourth (1/4) the annual fee shall be required.

License plates or decals for each year shall be made available on December 1 of each preceding year for such vehicles. Any person who purchases such vehicle, or manufactured home ~~or motorcycle~~ between December 1 and December 31 of any year shall register it within thirty (30) days from date of purchase and obtain a license plate or Manufactured Home License Registration Decal, as appropriate, for the following calendar year upon payment of the full annual fee. Unless provided otherwise by statute, all annual license, registration and other fees for such vehicles shall be due and payable on January 1 of each year and if not paid by February 1 shall be deemed delinquent.

B. Unless provided otherwise by law, all-terrain vehicles, mopeds, and motorcycles shall be registered annually and all annual license, registration, and other fees for all-terrain vehicles, mopeds, and motorcycles, as provided in Section 1132 of this title, shall be due and payable on July 1 of each year and if not paid by August 1 shall be deemed delinquent. The following schedule shall apply for all-terrain vehicles, mopeds, and motorcycles purchased in this state or brought into this state by residents of this state:

1. Between July 1 and September 30, the payment of the full annual fee shall be required;

2. Between October 1 and December 31, the payment of three-fourths (3/4) of the annual fee shall be required;

3. Between January 1 and March 31, the payment of one-half (1/2) of the annual fee shall be required; and

4. Between April 1 and June 30, the payment of one-fourth (1/4) of the annual fee shall be required.

License plates or decals for each year shall be made available on June 1 of each preceding year. For mopeds and motorcycles for which a license plate or decal has been obtained pursuant to the

provisions of subsection A of this section on or before June 30, 2002, such license plate or decal shall be valid until July 1, 2003. For all-terrain vehicles, license plates shall be made available on June 1, 2002, and June 1 of each year thereafter. For all-terrain vehicles purchased prior to July 1, 2002, registration shall not be required but shall be allowed at the option of the owner of the all-terrain vehicle.

C. 1. All vehicles, other than those required to be registered pursuant to the provisions of ~~subsection~~ subsections A and B of this section, shall be registered on a staggered system of registration and licensing on a monthly series basis to distribute the work of registering such vehicles as uniformly and expeditiously as practicable throughout the calendar year. After the end of the month following the expiration date, the license and registration fees for the new registration period shall become delinquent.

2. Effective December 1, 2000, all fleet vehicles registered pursuant to new applications approved pursuant to the provisions of Section 1120 of this title shall be registered on a staggered system monthly basis. The Oklahoma Tax Commission shall notify in writing, prior to the 2001 renewal period, all registrants with established accounts, who will have the option of changing their registration expiration date or remaining with their existing registration expiration date.

3. Applicants seeking to establish Oklahoma as the base jurisdiction for registering apportioned fleet vehicles after December 1, 2000, and registrants converting an established account to the staggered registration system shall have a one-time option of registering for a period of not less than four (4) nor greater than fifteen (15) months. Subsequent renewals for these registrants will be for twelve (12) months, expiring on the last day of the month chosen by the registrant under the one-time option as provided

herein. In addition, registrants with multiple fleets may designate a different registration month of expiration for each fleet.

As used in this section, "fleet" shall have the same meaning as set forth in the International Registration Plan.

~~C.~~ D. The following penalties shall apply for delinquent registration fees:

1. For fleet vehicles required to be registered pursuant to the provisions of Section 1120 of this title for which a properly completed application for registration has not been received by the Tax Commission by the last day of the month following the registration expiration date, a penalty of thirty percent (30%) of the Oklahoma portion of the annual registration fee, or Two Hundred Dollars (\$200.00), whichever is greater, shall be assessed. The license and registration cards issued by the Tax Commission for each fleet vehicle shall be valid until two (2) months after the registration expiration date;

2. For commercial vehicles registered under the provisions of subsection ~~B~~ C of this section, except those vehicles registered pursuant to Section 1133.1 of this title, a penalty shall be assessed after the last day of the month following the registration expiration date. A penalty of twenty-five cents (\$0.25) per day shall be added to the license fee of such vehicle and shall accrue for one (1) month. Thereafter, the penalty shall be thirty percent (30%) of the annual registration fee, or Two Hundred Dollars (\$200.00), whichever is greater;

3. For new or used manufactured homes, not registered within thirty (30) days from date of purchase or date such manufactured home was brought into this state, a penalty equal to the registration fee shall be assessed; or

4. Except as provided in subsection H of Section 1133 of this title, for all other vehicles a penalty shall be assessed after the last day of the month following the expiration date. A penalty of

twenty-five cents (\$0.25) per day shall be added to the license fee of such vehicle and shall accrue for three (3) months. Thereafter, the penalty shall be Twenty-five Dollars (\$25.00), provided that the penalty shall not exceed the amount equal to the license fee of such vehicle.

~~D.~~ E. In addition to all other penalties provided in the Oklahoma Vehicle License and Registration Act, Section 1101 et seq. of this title, the following penalties shall be imposed and collected by any Revenue Enforcement Officer of the Tax Commission upon finding any commercial vehicle being operated in violation of the provisions of the Oklahoma Vehicle License and Registration Act.

The penalties shall apply to any commercial vehicle found to be operating in violation of the following provisions:

1. A penalty in the amount of Fifty Dollars (\$50.00) shall be imposed upon any person found to be operating a commercial vehicle sixty (60) days after the end of the month in which the license plate or registration credentials expire without the current year license plate or registration credential displayed;

2. A penalty in the amount of Fifty Dollars (\$50.00) shall be imposed for any person operating a commercial vehicle subject to the provisions of Section 1120 or Section 1133 of this title without the proper display of, or, carrying in such commercial vehicle, the identification credentials issued by the Tax Commission as evidence of payment of the fee or tax as provided in Section 1120 or Section 1133 of this title; and

3. A penalty in the amount of One Hundred Dollars (\$100.00) shall be imposed for any person that fails to register any commercial vehicle subject to the Oklahoma Vehicle License and Registration Act.

~~E.~~ F. The Tax Commission shall assess the registration fees and penalties for the year or years a vehicle was not registered. For vehicles not registered for two or more years, the registration fees

and penalties shall be due only for the current year and one (1) previous year. The Tax Commission shall waive road user fees and penalties for failure to register a vehicle, provided road user fees shall not be waived for the current registration year in cases where the vehicle is proven to have been inoperable during the registration period. Proof of inoperability may be by, but is not limited to, submission of parts or repair receipts or such other evidence deemed appropriate by the Tax Commission.

~~F.~~ G. In addition to any other penalty prescribed by law, there shall be a penalty in the amount of Twenty Dollars (\$20.00) upon a finding by a revenue enforcement officer that:

1. The registration of a vehicle registered pursuant to Section 1132 of this title is expired and it is sixty (60) or more days after the end of the month of expiration; or

2. The registration fees for a vehicle that is subject to the registration fees pursuant to Section 1132 of this title have not been paid.

~~G.~~ H. If a vehicle is donated to a nonprofit charitable organization which organization will transfer such donated vehicle to a current or potential recipient of Temporary Assistance to Needy Families as determined by the Department of Human Services and which vehicle will be used primarily for transportation for job-related or work-related activities by such recipient, the nonprofit charitable organization shall be exempt from paying any current or past due registration fees, excise tax, title or transfer fees, and penalties and interest.

~~H.~~ I. If a vehicle is donated to a nonprofit charitable organization other than as provided in subsection G of this section, the person donating the vehicle and the nonprofit charitable organization receiving the donated vehicle shall be exempt from paying any registration fees, excise tax, title or transfer fees, and penalties and interest due from previous years if such fees,

taxes, penalties and interest are more than one (1) year past due and the vehicle is not currently registered. However, after the donation, if the person donating the vehicle, or someone on behalf of such person, purchases the same vehicle back from the nonprofit charitable organization to which the vehicle was donated, such person shall be liable for all current and past-due registration fees, excise tax, title or transfer fees, and penalties and interest on such vehicle.

SECTION 4. AMENDATORY 47 O.S. 2001, Section 1132, is amended to read as follows:

Section 1132. A. For all vehicles, unless otherwise specifically provided by the Oklahoma Vehicle License and Registration Act, a registration fee 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 in the following amounts:

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

2. For the fifth through the eighth year of registration in this state or any other state, Seventy-five Dollars (\$75.00);

3. For the ninth through the twelfth year of registration in this state or any other state, Fifty-five Dollars (\$55.00);

4. For the thirteenth through the sixteenth year of registration in this state or any other state, Thirty-five Dollars (\$35.00); and

5. For the seventeenth and any following year of registration in this state 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 or local, unless otherwise specifically provided.

B. For all-terrain vehicles purchased after June 30, 2002, and for all-terrain vehicles purchased prior to July 1, 2002, which the

owner chooses to register pursuant to the provisions of subsection B of Section 1115 of this title, a registration fee of Five Dollars (\$5.00) shall be assessed at the time of initial registration by the owner and annually thereafter. The fees required by subsection A of this section shall not be required for all-terrain vehicles. Three Dollars (\$3.00) of the fee shall be deposited to the Oklahoma Tax Commission Reimbursement Fund. Two Dollars (\$2.00) of the fee shall be apportioned to the State Department of Transportation to be used exclusively for the development and maintenance of off-road vehicle trails and riding paths.

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

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

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.

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 the credit be refunded.

~~C.~~ D. 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 a transfer fee of Fifteen Dollars (\$15.00) in addition to any other fees provided for in this 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 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.

~~D.~~ E. 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 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 5. AMENDATORY 47 O.S. 2001, 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 any provision of this subsection, other than paragraph 3 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). Any person convicted of violating the provisions of paragraph 3 of this subsection shall be deemed guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not less than One Hundred Dollars (\$100.00) and not more than Five Hundred Dollars (\$500.00) and shall be required to obtain an Oklahoma license plate. 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 Department or employees of independent management companies working on behalf of the 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.

~~The provisions of this subsection shall also apply to those motor-driven or operated vehicles known as "all-terrain vehicles", which are manufactured principally for use off the roads. Provided, that all-terrain vehicles may be operated on unpaved roads which are located within the boundaries of any property of the Forest Service of the United States Department of Agriculture.~~

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) 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 6. AMENDATORY 47 O.S. 2001, Section 1151.1, is amended to read as follows:

Section 1151.1 A. Notwithstanding any other provision of law, golf carts ~~or all-terrain vehicles~~ shall not be registered pursuant to the provisions of the Oklahoma Vehicle License and Registration Act.

B. Except as otherwise provided in this section, golf carts or all-terrain vehicles shall not be operated on the highways or turnpikes of the state.

C. All-terrain vehicles owned by a city or golf carts may be operated on city streets if:

1. The municipal governing body has adopted an ordinance governing the operation of golf carts or all-terrain vehicles on city streets; and

2. Operation occurs during daylight hours only.

SECTION 7. AMENDATORY 68 O.S. 2001, Section 2101, is amended to read as follows:

Section 2101. For the purpose of this article:

1. The term "motor vehicle" means and includes every automobile, truck, truck-tractor, all-terrain vehicle, 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. The term "vehicle" means and includes 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. The term "low-speed electrical vehicle" means and includes any four-wheeled electrical vehicle that is powered by an electric motor that draws current from rechargeable storage batteries or other sources of electrical current and whose top speed is greater than twenty (20) miles per hour but not greater than twenty-five (25) miles per hour and is manufactured in compliance with the National Highway Traffic Safety Administration standards for low-speed vehicles in 49 C.F.R. 571.500;

4. The term "automobile" means and includes every motor vehicle constructed and used solely for the transportation of persons for purposes other than for hire or compensation;

5. The term "motorcycle" means and includes every motor vehicle designed to travel on not more than three wheels other than an all-terrain vehicle;

6. The term "truck" means and includes 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;

7. The term "truck-tractor" means and includes every motor vehicle of the truck type designed to draw or support the front end of a semitrailer;

8. The term "trailer" means and includes any vehicle designed to be drawn by a truck, tractor or a truck-tractor, but supported upon its own wheels;

9. The term "semitrailer" means and includes any vehicle designed to be attached to, and having its front end supported by a truck, tractor, or truck-tractor;

10. The term "motor bus" means and includes every motor vehicle constructed so as to carry persons, and which is used or rented to carry persons for compensation;

11. The term "manufactured home" means a residential dwelling built in accordance with the National Manufactured Housing Construction and Safety Standards Act of 1974, 42 U.S.C., Section 5401 et seq., and rules promulgated pursuant thereto and the rules promulgated by the Oklahoma Used Motor Vehicle and Parts Commission pursuant to Section 582 of Title 47 of the Oklahoma Statutes;

12. The term "farm tractor" means and includes any vehicle of tractor type owned and operated by the purchaser and used exclusively for agricultural purposes;

13. The term "all-terrain vehicle" means and includes every vehicle defined as an all-terrain vehicle in Section 1102 of Title 47 of the Oklahoma Statutes;

14. The terms "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;

~~14.~~ 15. The term "person" means and includes 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; and the use of the singular number shall include the plural number; and

~~15.~~ 16. The term "Tax Commission" means the Oklahoma Tax Commission.

SECTION 8. AMENDATORY 68 O.S. 2001, Section 2102, is amended to read as follows:

Section 2102. A. It is hereby declared to be the purpose of this article to provide funds for general governmental functions of state government.

B. All revenue derived under this article shall be apportioned and distributed by the Oklahoma Tax Commission as provided for in Section 7 1104 of ~~the Oklahoma Vehicle License and Registration Act~~ Title 47 of the Oklahoma Statutes, except all revenue derived from transfers of legal ownership of all-terrain vehicles which occur after June 30, 2002, shall be apportioned to the General Revenue Fund.

SECTION 9. AMENDATORY 68 O.S. 2001, 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 shall be 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 upon transfers of legal ownership of all-terrain vehicles which occur after June 30, 2002.

The excise tax for new vehicles shall be levied at three and one-fourth percent (3 1/4%) of the value of each new vehicle. The excise tax for used vehicles shall be as follows:

- a. from October 1, 2000, until June 30, 2001, Twenty Dollars (\$20.00) on the first One Thousand Dollars (\$1,000.00) or less of value of such vehicle, and three and one-fourth percent (3 1/4%) of the remaining value of such vehicle,
- b. for the year beginning July 1, 2001, and ending June 30, 2002, Twenty Dollars (\$20.00) on the first One Thousand Two Hundred Fifty Dollars (\$1,250.00) or less of value of such vehicle, and three and one-fourth percent (3 1/4%) of the remaining value of such vehicle, and
- c. for the year beginning July 1, 2002, and all subsequent years, Twenty Dollars (\$20.00) on the first One Thousand Five Hundred Dollars (\$1,500.00) or less of value of such vehicle, and three and one-fourth percent (3 1/4%) of the remaining value of such vehicle.

2. There shall be levied an excise tax of Ten Dollars (\$10.00) 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 levied pursuant to this paragraph 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 paragraph shall also not apply to pickup trucks, vans, or sport utility vehicles.

3. 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; provided, the tax shall not be due at the time of the issuance of a certificate of title for an all-terrain vehicle which is not required to be registered but which the owner chooses to register pursuant to the provisions of subsection B of Section 1115 of Title 47 of the Oklahoma Statutes, 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 must be collected upon all subsequent transfers of legal ownership. In computing the motor vehicle excise tax, the amount collected shall be rounded to the nearest dollar. 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, shall be in lieu of all sales and use taxes levied pursuant to the Sales Tax Code or the Use Tax Code. 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.

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/registant 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/registant 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.

E. Despite any other definitions 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 which has not previously been registered in this state and upon which the motor vehicle excise tax as set forth in this section 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, the vehicle shall be considered a used vehicle for purposes of determining excise tax.

SECTION 10. This act shall become effective July 1, 2002.

SECTION 11. 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.

48-2-7686 DLW 6/12/15