

ENROLLED SENATE
BILL NO. 1504

By: Monson of the Senate

and

Cox and Boren of the House

An Act relating to motor vehicle registration and excise tax; amending 47 O.S. 2001, Section 1133, which relates to registration of commercial vehicles; subjecting certain vehicles to specified registration fee; amending 68 O.S. 2001, Section 2103, which relates to excise tax levy; subjecting certain vehicle types to specified excise tax; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2001, Section 1133, is amended to read as follows:

Section 1133. A. The following license fees shall be paid annually to the Oklahoma Tax Commission upon the registration of the following vehicles:

For each commercial vehicle over eight thousand (8,000) pounds as defined in Section 1102 of this title, the license fee shall be based on the combined laden weight of the vehicle or combination of vehicles. The license fees shall be computed and assessed at the following rates:

1. From 8,001 pounds to 15,000 pounds	\$ 95.00
2. From 15,001 pounds to 18,000 pounds	120.00
3. From 18,001 pounds to 21,000 pounds	155.00
4. From 21,001 pounds to 24,000 pounds	190.00
5. From 24,001 pounds to 27,000 pounds	225.00
6. From 27,001 pounds to 30,000 pounds	260.00
7. From 30,001 pounds to 33,000 pounds	295.00
8. From 33,001 pounds to 36,000 pounds	325.00
9. From 36,001 pounds to 39,000 pounds	350.00

10.	From 39,001 pounds to 42,000 pounds	375.00
11.	From 42,001 pounds to 45,000 pounds	400.00
12.	From 45,001 pounds to 48,000 pounds	425.00
13.	From 48,001 pounds to 51,000 pounds	450.00
14.	From 51,001 pounds to 54,000 pounds	475.00
15.	From 54,001 pounds to 57,000 pounds	648.00
16.	From 57,001 pounds to 60,000 pounds	681.00
17.	From 60,001 pounds to 63,000 pounds	713.00
18.	From 63,001 pounds to 66,000 pounds	746.00
19.	From 66,001 pounds to 69,000 pounds	778.00
20.	From 69,001 pounds to 72,000 pounds	817.00
21.	From 72,001 pounds to 73,280 pounds	857.00
22.	From 73,281 pounds to 74,000 pounds	870.00
23.	From 74,001 pounds to 75,000 pounds	883.00
24.	From 75,001 pounds to 76,000 pounds	896.00
25.	From 76,001 pounds to 77,000 pounds	909.00
26.	From 77,001 pounds to 78,000 pounds	922.00
27.	From 78,001 pounds to 79,000 pounds	935.00
28.	From 79,001 pounds to 80,000 pounds	948.00
29.	From 80,001 pounds to 81,000 pounds	961.00
30.	From 81,001 pounds to 82,000 pounds	974.00
31.	From 82,001 pounds to 83,000 pounds	987.00
32.	From 83,001 pounds to 84,000 pounds	1000.00
33.	From 84,001 pounds to 85,000 pounds	1013.00
34.	From 85,001 pounds to 86,000 pounds	1026.00
35.	From 86,001 pounds to 87,000 pounds	1039.00
36.	From 87,001 pounds to 88,000 pounds	1052.00
37.	From 88,001 pounds to 89,000 pounds	1065.00
38.	From 89,001 pounds to 90,000 pounds	1078.00

B. After the fifth year's registration in this or any other state, the license fee upon any truck registered on a basis of the combined laden weight not in excess of fifteen thousand (15,000) pounds shall be assessed at fifty percent (50%) of the fee computed and assessed for each of the first five (5) years. On the seventh and all subsequent years of registration in this or any other state, on such truck, such license fees shall be assessed and computed at fifty percent (50%) of the amount due on the sixth year's registration. In no event shall such annual license fee on any truck be less than Ten Dollars (\$10.00) nor shall the annual license fee of any truck-tractor be less than Ninety-five Dollars (\$95.00).

C. In addition to the fees required by subsection A of this section, there shall be paid a registration fee of Forty Dollars (\$40.00) upon the first registration in this state after July 1, 1985, and upon the transfer of ownership of any frac tank, as defined by Section 54 of Title 17 of the Oklahoma Statutes, rental trailer, commercial trailer or semitrailer designed to be pulled and usually pulled by a truck or truck-tractor.

Thereafter, a fee of Four Dollars (\$4.00) shall be paid annually for each frac tank, rental trailer, commercial trailer or semitrailer. The fee of Four Dollars (\$4.00) shall be due and payable on January 1 of each year and shall be the only fee due on any frac tank, rental trailer, commercial trailer or semitrailer registered under this section.

Upon the payment of the registration fee of Forty Dollars (\$40.00), a nonexpiring registration certificate and identification plate shall be issued for each frac tank, rental trailer, commercial trailer or semitrailer. The nonexpiring identification plate shall remain displayed on the frac tank, rental trailer, commercial trailer or semitrailer for which the identification plate is issued until such frac tank, trailer or semitrailer is sold or removed from service.

A receipt shall be issued upon the payment of the annual fee. The receipt shall show the total fee paid for one or more frac tanks, rental trailers, commercial trailers or semitrailers. The receipt shall be retained by the owner of any frac tank, rental trailer, commercial trailer or semitrailer for a period of three (3) years and shall be subject to audit by the ~~Oklahoma~~ Tax Commission.

Any frac tank, commercial trailer or semitrailer licensed pursuant to this section shall not be permitted to be operated on the highways of this state when such frac tank, commercial trailer or semitrailer is being operated by a resident of this state, or is being operated by a person operating a vehicle or vehicles domiciled in this state and required by law to be licensed in Oklahoma, unless the pulling truck or truck-tractor has been licensed pursuant to this section. In no event shall any truck, truck-tractor, frac tank, trailer, or semitrailer used in the furtherance of any commercial enterprise be permitted to operate on the highways of this state or register at a smaller license fee than that prescribed in this section except as provided in this section.

D. For the fiscal year beginning July 1, 1994, and for each fiscal year thereafter, notwithstanding the provisions of Section 1104 of this title, the first Four Hundred Thousand Dollars (\$400,000.00) of all monies collected pursuant to subsections A, B and C of this section shall be paid by the ~~Oklahoma~~ Tax Commission to the State Treasurer of the State of Oklahoma who shall deposit same each fiscal year, or such lesser amount as may accrue each fiscal year, under the provisions of this section to the credit of the General Revenue Fund of the State Treasury. All monies collected in excess of Four Hundred Thousand Dollars (\$400,000.00) each fiscal year shall be apportioned as provided in Section 1104 of this title.

E. If any vehicle is used for a purpose other than that for which it has been registered, the owner of the vehicle shall be required to immediately reregister the vehicle at the appropriate rate. If any vehicle is placed or operated upon any street, road or highway of this state with a laden weight in excess of that for which it is licensed, the license fee for such increased laden weight shall become due, and the owner of the vehicle shall be required to immediately reregister the vehicle at the increased rate. Provided that, in either event there shall be credited upon the increased license fee for such reregistration for any portion of the year or period remaining after the change in use or increase in laden weight shall have occurred a proportionate part of the license fees previously paid. If this reregistration is made voluntarily by the owner, the ratable proportion of the credit allowed shall be determined as of the date the reregistration is voluntarily made. If the reregistration is not voluntarily made but occurs as a result of the discovery by any enforcement officer of an improper operation of the vehicle, that shall be considered prima facie evidence that it has been improperly registered for the entire portion of the year covered by the improper registration. Provided further that the ratable credit shall be allowed only on the first reregistration of any vehicle during any calendar year. If, during the calendar year, subsequent changes of license plate are desired, the ratable credit shall not be allowed but the owner of the vehicle shall be required to pay the license fee due for that portion of the calendar year remaining without benefit of any additional credits. No owner of a motor vehicle shall possess at any time more than one license plate for any vehicle owned by such person. No reregistration shall be made until the current license plate previously issued has been surrendered.

Any person who has paid a fee under the terms and provisions of this subsection may at any time within one (1) year after the payment of such fee file with the Tax Commission a claim under oath for refund stating the grounds therefor. However, the Tax Commission shall allow refunds only where the amount of tax paid has been erroneously computed or determined through clerical errors or miscalculations. No refund shall be allowed by the Tax Commission of a tax paid by the person where such payment is made through a mistake as to the legal misinterpretation or construction of the provisions of this section. Any refunds made by the Tax Commission pursuant to this subsection shall be made out of any monies collected pursuant to this subsection and which have not been apportioned.

F. The annual license fee required by this section is intended to cover only the motor vehicle for which it is issued. The Tax Commission upon application, when a licensed truck-tractor has been destroyed by fire or accident, shall credit the unused portion of the annual license fee of said vehicle toward the license fee of a replacement vehicle of equal registered weight. The amount of credit shall not exceed the license fee due on the replacement vehicle. The Tax Commission shall not be required to make a refund. If the replacement vehicle is to be registered at a greater weight, the applicant shall pay an additional sum equivalent to the difference between the unused portion of the annual license fee for the original motor vehicle and the license fee due for the replacement motor vehicle.

G. The license fees provided for in this section shall be paid each year whether or not the vehicle is operated on the public highway.

H. Notwithstanding the provision of any other statute in respect to the time for payment of license fees on motor vehicles, if the total amount of the annual license fees due from any resident owner, either individual, partnership, or Oklahoma corporation, upon the registration, on or before January 15 of any year, of commercial trucks, truck-tractors, frac tanks, trailers or semitrailers exceeds the sum of One Thousand Dollars (\$1,000.00), the license fees may be paid in equal semiannual installments. The first installment shall be paid at the time of the application for registration of the vehicles and not later than January 15 of each year, and the second installment shall be paid on or before the first day of July of such year.

This subsection shall not operate to reduce the amount of the license fees due. If any installment is not paid on or before the date due, all unpaid installments of license fees for such year on each vehicle shall be deemed delinquent and immediately due and payable, and there shall be added a penalty of twenty-five cents (\$0.25) per day to the balance of the license fee due on each vehicle for each day the balance remains unpaid up to thirty (30) days, after which the penalty due on each vehicle shall be Twenty-five Dollars (\$25.00). The penalty for vehicles registered by weight in excess of eight thousand (8,000) pounds shall be an amount equal to the license fee. On and after the 30th day each such vehicle involved shall be considered as improperly licensed and as not currently registered, and all of the provisions of the Oklahoma Vehicle License and Registration Act relating to enforcement, including the provisions for the seizure and sale of vehicles not registered and not displaying current license plates, shall apply to the vehicles.

All fees and taxes levied by this act shall become and remain a first lien upon the vehicle upon which the fees or taxes are due until paid. The lien shall have priority to all other liens. No title to any vehicle may be transferred until the unpaid balance on the vehicle has been paid in full. Provided that any unpaid balance of the license fees shall remain and become a lien against any and all property of the owner, both real and personal, for so long as

any license tag fee balance shall remain unpaid. Any unpaid balance under these provisions shall be immediately due and payable by the owner if any vehicle is sold, wrecked, or otherwise retired from service.

Any person electing to pay license fees on a semiannual installment basis, as herein authorized, shall be required to purchase a new license tag for the last half and shall pay the sum of Four Dollars (\$4.00) for each tag to cover the costs of the license tags. The license tags for each half shall be plainly marked in designating the half for which they were issued. A validation sticker may be used in lieu of a metal tag where appropriate. Such license tag fee shall be, in addition to the license fees or any other fees, collected on each application as provided by statute and shall be apportioned according to the provisions of Section 1104 of this title.

I. Any person pulling or towing any vehicle intended to be resold, into or through this state, shall pay a fee of Three Dollars (\$3.00) for the vehicle towing and Three Dollars (\$3.00) for the one being towed. It shall be unlawful to operate any series of such units on the public highways of this state at a distance closer than five hundred (500) feet from each other. All fees and taxes levied by the terms and provisions of this section shall become and remain a first lien upon the vehicle upon which the fees or taxes are due until paid. The lien shall be prior, superior, and paramount to all other liens of whatsoever kind or character.

J. In addition to any other penalties prescribed by law, the following penalty shall be imposed by revenue enforcement officers upon any owner or operator of a commercial vehicle registered under the provisions of this section when the laden weight or combined laden weight of such vehicle is found to be in excess of that for which registered. The penalty shall be imposed each and every time a vehicle is found to be in violation of the registered laden weight or combined laden weight.

The penalty shall be Twenty Dollars (\$20.00) when such vehicle exceeds the laden weight or combined laden weight by two thousand one (2,001) pounds; thereafter, an additional Twenty Dollars (\$20.00) shall be imposed for each additional one thousand (1,000) pounds or fraction thereof of weight in excess of the registered laden weight or combined laden weight.

SECTION 2. 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 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:

- a. 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 fifty-four thousand one (54,001) pounds or more, and for any
- b. 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, and
- c. frac tank, as defined by Section 54 of Title 17 of the Oklahoma Statutes, and registered under subsection C of Section 1133 of Title 47 of the Oklahoma Statutes.

~~The~~ Except for frac tanks, 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, 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 frac tank, 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 Tax 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 3. This act shall become effective November 1, 2004.

Passed the Senate the 27th day of May, 2004.

Presiding Officer of the Senate

Passed the House of Representatives the 27th day of May, 2004.

Presiding Officer of the House
of Representatives