

ENROLLED SENATE
BILL NO. 454

By: Laughlin and Leftwich of
the Senate

and

Davis, Nance and Perry of
the House

An Act relating to aircrafts and airports; amending 3
O.S. 2001, Section 254.1, which relates to aircraft
registration; modifying requirement for issuance of
dealer license; and declaring an emergency.

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

SECTION 1. AMENDATORY 3 O.S. 2001, Section 254.1, is
amended to read as follows:

Section 254.1 A. It shall be unlawful for any person to engage
in the business of selling, or to serve in the capacity of, or act
as a dealer of new or used aircraft in this state without first
obtaining a license as provided in this section. Any person having
more than one location where such business is carried on or
conducted shall be required to obtain and hold a current license for
each such location.

B. Dealer licenses issued pursuant to this section shall be
issued only to persons that prove to the satisfaction of the
Oklahoma Tax Commission that they are clearly recognizable as bona
fide dealers. Proof of bona fide dealer status shall include, but
not be limited to, the following:

~~1. Sales of three or more aircraft every eighteen (18) months,
unless the applicant can show unusual circumstances justifying
lesser sales;~~

~~2.~~ Consistent identification of the business as a dealer
establishment in advertising, signs, telephone book listings, and
other similar means. The dealership shall be clearly identifiable
as such by any person who visits or deals with the business; and

~~3.~~ 2. A picture, upon application for a new license, of the
business location which includes the office and business sign.

C. Applications for licenses required to be obtained pursuant
to this section shall be verified by the oath or affirmation of the
applicant and shall be on forms prescribed by the Tax Commission.
The form shall contain such information as the Tax Commission deems
necessary to enable it to fully determine the qualifications and

eligibility of the applicant to receive the license requested. The Tax Commission shall require in such application information relating to:

1. Whether the applicant has an established place of business and is primarily engaged in the pursuit or business of selling aircraft;

2. Whether the applicant is able to properly conduct the business for which the license has been requested; and

3. Such other pertinent information consistent with the safeguarding of the public interest and the public welfare.

All applications for licenses shall be accompanied by the appropriate fees in accordance with the provisions of this section. In the event any application is denied and the license requested is not issued, the entire license fee shall be returned to the applicant.

D. All licenses issued pursuant to this section shall expire on December 31 of the second year following the date of issue. All licenses shall be nontransferable. All applications for renewal of a license shall be submitted by November 1 of the year of renewal, and such license shall be issued by January 1. If applications have not been made for renewal of licenses by December 31, it shall be illegal for any person to sell or to serve in the capacity or act as a dealer. If after December 31 the license has not been renewed, then such licensee shall be required to apply for a license as a new applicant.

E. The license fee to be charged and received by the Tax Commission for the license issued pursuant to this section shall be Two Hundred Fifty Dollars (\$250.00). There shall be no fee for renewal of a license unless the licensee is required pursuant to this section to apply for a license as a new applicant.

F. The Tax Commission may deny an application for a license, or revoke or suspend a license, or impose a fine not to exceed Five Hundred Dollars (\$500.00) against a dealer for each day that any provision of this section is violated, or for any of the following reasons:

1. On satisfactory proof of unfitness of the applicant in any application for a license pursuant to this section;

2. For any material misstatement made by an applicant in any application for a license pursuant to this section;

3. A change of condition after a license is granted resulting in failure to maintain the qualifications for a license;

4. Being a dealer who:

a. uses false or misleading advertising in connection with the business as a dealer,

- b. has committed any unlawful act which resulted in the revocation of any similar license in another state,
- c. has failed or refused to perform any written agreement with any retail buyer involving the sale of an aircraft,
- d. has been convicted of a crime involving moral turpitude,
- e. has committed a fraudulent act in selling, purchasing, or otherwise dealing in aircraft, or has misrepresented the terms and conditions of a sale, purchase, or contract for sale or purchase of an aircraft, or
- f. has failed to meet or maintain the conditions and requirements necessary to qualify for the issuance of a license; or

5. Being a dealer who does not have an established place of business.

The Tax Commission may also assess any excise tax, including penalty and interest, against any dealer determined by the Tax Commission to be in violation of this section for any aircraft sold or purchased while such dealer was in violation of this section.

G. The Tax Commission may deny any application for a license, or suspend or revoke a license issued or impose a fine, only after appropriate notice and a hearing as set forth by rule of the Tax Commission.

H. Any person holding a dealer license on July 1, 2000, issued pursuant to Section 254 of Title 3 of the Oklahoma Statutes shall be entitled to retain such license until December 31, 2000. At such time, the dealer shall apply for a new license in accordance with the provisions of this section.

SECTION 2. 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.

Passed the Senate the 5th day of March, 2003.

Presiding Officer of the Senate

Passed the House of Representatives the 3rd day of April, 2003.

Presiding Officer of the House
of Representatives