

SB 454

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**THE STATE SENATE**  
**Wednesday, February 19, 2003**

**Senate Bill No. 454**

SENATE BILL NO. 454 - By: LAUGHLIN of the Senate and DAVIS 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       1. ~~Sales of three or more aircraft every eighteen (18) months,~~  
2 ~~unless the applicant can show unusual circumstances justifying~~  
3 ~~lesser sales;~~

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

8       ~~3.~~ 2. A picture, upon application for a new license, of the  
9 business location which includes the office and business sign.

10       C. Applications for licenses required to be obtained pursuant  
11 to this section shall be verified by the oath or affirmation of the  
12 applicant and shall be on forms prescribed by the Tax Commission.  
13 The form shall contain such information as the Tax Commission deems  
14 necessary to enable it to fully determine the qualifications and  
15 eligibility of the applicant to receive the license requested. The  
16 Tax Commission shall require in such application information  
17 relating to:

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

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

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

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

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

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

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

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

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

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

12 4. Being a dealer who:

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

15 b. has committed any unlawful act which resulted in the  
16 revocation of any similar license in another state,

17 c. has failed or refused to perform any written agreement  
18 with any retail buyer involving the sale of an  
19 aircraft,

20 d. has been convicted of a crime involving moral  
21 turpitude,

22 e. has committed a fraudulent act in selling, purchasing,  
23 or otherwise dealing in aircraft, or has

1           misrepresented the terms and conditions of a sale,  
2           purchase, or contract for sale or purchase of an  
3           aircraft, or

4           f.    has failed to meet or maintain the conditions and  
5           requirements necessary to qualify for the issuance of  
6           a license; or

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

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

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

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

22          SECTION 2.  It being immediately necessary for the preservation  
23   of the public peace, health and safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and  
2 be in full force from and after its passage and approval.  
3 COMMITTEE REPORT BY: COMMITTEE ON TRANSPORTATION, dated 2-11-03 - DO  
4 PASS, As Coauthored.