

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 52<sup>nd</sup> Legislature

<b>Bill No.:</b>	<b>SB 1398</b>
<b>Version:</b>	<b>Engrossed</b>
<b>Author:</b>	<b>Rep. Hickman &amp; Sen. Mazzei</b>
<b>Date:</b>	<b>March 15, 2010</b>
<b>Impact:</b>	<b>OTC Administrative Savings</b>
<b>FY11:</b>	<b>\$51,000 for Administrative Savings</b>

**Bill Summary**

Research Analyst:       Dusty Darr

Engrossed Senate Bill (ESB) 1398 relates to the Oklahoma Vessel and Motor Registration Act. The measure authorizes the Oklahoma Tax Commission to send its required annual notifications of the period for vessel or motor registration that are due to be registered in July of that year via electronic mail. In addition, the measure provides that persons who elect to receive their annual notification through the mail be assessed an annual fee of Fifty Cents (\$.50) to be used for the printing and mailing of such renewal notifications. An exemption from the aforementioned fee is provided to members of the Armed Forces of the United States, the Reserve Corps of the Armed Forces of the United States and the Oklahoma National Guard and their spouses.

The Tax Commission is also required to provide information on its public website instructing persons on the procedure for obtaining an annual notification via electronic mail free of charge. The information must outline all charges and fees associated with the registration of vessels and motors, as well as an explanation of the apportionment of vessel and motor registration fees and penalties.

The title has been stricken from the measure in its current form.

**Fiscal Summary**

Fiscal Analyst:        Diane Thomas

ESB 1398 provides taxpayers requesting an annual boat and boat motor registration renewal notice by mail will be charged a \$0.50 fee and those requesting an electronic notice will have no fee. Members of the U. S. Armed Forces eligible to receive the annual reduced rate for military registration fees will continued to received annual postcard renewal notices by mail with no charge.

**Fiscal Analysis**

Currently, the Tax Commission (OTC) is required to mail an annual vessel and motor (boat and boat motor) registration notice to all persons (with a previous registration on record) within the state. This measure continues the mandatory requirement that OTC notify taxpayers. However, the taxpayers choosing to receive the notice by mail (by postcard) will be charged an annual fee of \$0.50 and those choosing electronic mail renewals will have no charge. Members of the U. S.

Armed Forces eligible to receive the annual reduced rate for military registration fees will continued to received annual postcard renewal notices by mail with no charge.

OTC anticipates a potential savings of \$51,000 for administrative costs in FY11 as follows:

<b>Description</b>	<b>Administrative Costs</b>
Postage	\$46,115
Materials & Labor	\$ 5,170
Total	\$51,285

### **Long Term Fiscal Considerations**

As stated above.

Fiscal Analysis Reviewed By:

*Janice Buchanan*

House Fiscal Director