

OKLAHOMA TAX COMMISSION

**FISCAL IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT
SECOND REGULAR SESSION, FIFTY-FOURTH OKLAHOMA LEGISLATURE**

DATE OF IMPACT STATEMENT: March 12, 2014

BILL NUMBER: HB 2488 **STATUS AND DATE OF BILL:** Engrossed 03/10/2014

AUTHORS: House Billy and Sherrer Senate Brooks

TAX TYPE (S): Motor Vehicle **SUBJECT:** Other

PROPOSAL: Amendatory 47 O. S. § 1135.2

The measure proposes to amend 47 O. S. § 1135.2(B)(7) by eliminating the \$8 fee for the Purple Heart Recipient special license plate.

EFFECTIVE DATE: November 1, 2014

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 15: \$8,000 decrease in motor vehicle collections.

FY 16: \$12,000 decrease in motor vehicle collections.

ADMINISTRATIVE IMPACT:

Insert the estimated cost or savings to the Tax Commission due to this proposed legislation.

FY 15: \$8,000 decrease in deposits to the OTC Reimbursement Fund.

FY 16: \$12,000 decrease in deposits to the OTC Reimbursement Fund.

Mar. 12, 2014
DATE

Rich Miller
DIVISION DIRECTOR

bjs

3-12-14
DATE

Reece Womack
REECE WOMACK, ECONOMIST

March 12, 2014
DATE

Dawn Cook
FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT-HB 2488-[Engrossed]-Prepared March 12, 2014.

HB 2606 proposes to amend 47 O. S. § 1135.2(B)(7) by eliminating the \$8 fee for the Purple Heart Recipient special license plate.

The Oklahoma Tax Commission's *Annual Vehicle Registration Report* for FY 13 indicates that 1,471 Purple Heart Recipient special license plates were issued with an annual fee of \$8. The \$8 fee amount is deposited into the Oklahoma Tax Commission Reimbursement Fund to be used for administration of the Oklahoma Vehicle License and Registration Act. Assuming issuance/renewal of a similar number of Purple Heart Recipient plates for FY 15 would result in an annualized decrease of motor vehicle collections of \$11,768 for deposit to the OTC Reimbursement Fund. (1,471 plates x \$8 = \$11,768).

This measure proposes an effective date of November 1, 2014. The FY 15 estimated decrease in motor vehicle collections for deposit to the OTC Reimbursement Fund is \$7,845 [$\$11,768 / 12 \text{ months} = \$981 \times 8 \text{ months} = \$7,845$]. For FY 16, the estimated decrease in motor vehicle collections for deposit to the OTC Reimbursement Fund is \$11,768.