STATE OF OKLAHOMA

2nd Session of the 55th Legislature (2016)

SENATE BILL 1084 By: Brecheen

AS INTRODUCED

An Act relating to motor vehicle taxes and fees; amending 47 O.S. 2011, Sections 1115, as amended by Section 1, Chapter 337, O.S.L. 2012, 1132, as amended by Section 2, Chapter 337, O.S.L. 2012, and 1151, as amended by Section 3, Chapter 337, O.S.L. 2012 (47 O.S. Supp. 2015, Sections 1115, 1132 and 1151), which relate to registration of motor vehicles; modifying maximum penalty for delinquent registration; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2011, Section 1115, as amended by Section 1, Chapter 337, O.S.L. 2012 (47 O.S. Supp. 2015, Section 1115), is amended to read as follows:

Section 1115. A. Unless provided otherwise by statute, the following vehicles shall be registered annually: manufactured homes, vehicles registered with a permanent nonexpiring license plate pursuant to Section 1113 of this title, and commercial vehicles registered pursuant to the installment plan provided in subsection H of Section 1133 of this title. The following schedule

shall apply for such vehicle purchased in this state or brought into this state by residents of this state:

1. Between January 1 and March 31, the payment of the full annual fee shall be required;

2. Between April 1 and June 30, the payment of three-fourths (3/4) the annual fee shall be required;

3. Between July 1 and September 30, the payment of one-half (1/2) the annual fee shall be required; and

4. Between October 1 and November 30, one-fourth (1/4) the annual fee shall be required.

License plates or decals for each year shall be made available on December 1 of each preceding year for such vehicles. Any person who purchases such vehicle or manufactured home between December 1 and December 31 of any year shall register it within thirty (30) days from date of purchase and obtain a license plate or Manufactured Home License Registration Decal, as appropriate, for the following calendar year upon payment of the full annual fee. Unless provided otherwise by statute, all annual license, registration and other fees for such vehicles shall be due and payable on January 1 of each year and if not paid by February 1 shall be deemed delinquent.

B. 1. All vehicles, other than those required to be registered pursuant to the provisions of subsection A of this section, shall be registered on a staggered system of registration and licensing on a

monthly series basis to distribute the work of registering such vehicles as uniformly and expeditiously as practicable throughout the calendar year. After the end of the month following the expiration date, the license and registration fees for the new registration period shall become delinquent.

2. All fleet vehicles registered pursuant to new applications approved pursuant to the provisions of Section 1120 of this title shall be registered on a staggered system monthly basis.

3. Applicants seeking to establish Oklahoma as the base jurisdiction for registering apportioned fleet vehicles shall have a one-time option of registering for a period of not less than six (6) months nor greater than eighteen (18) months. Subsequent renewals for these registrants will be for twelve (12) months, expiring on the last day of the month chosen by the registrant under the one-time option as provided herein. In addition, registrants with multiple fleets may designate a different registration month of expiration for each fleet.

As used in this section, "fleet" shall have the same meaning as set forth in the International Registration Plan.

4. Effective January 1, 2004, all motorcycles and mopeds shall be registered on a staggered system of registration. The Oklahoma Tax Commission shall notify in writing, prior to December 1, 2003, all owners of motorcycles or mopeds registered as of such date, who shall have a one-time option of registering for a period of not less

than three (3) months nor greater than fifteen (15) months. Subsequent renewals for these registrants will be for twelve (12) months, expiring on the last day of the month chosen by the registrant under the one-time option as provided herein. All motorcycles and mopeds registered pursuant to new applications received on or after December 1, 2003, shall also be registered pursuant to the provisions of this paragraph.

C. The following penalties shall apply for delinquent registration fees:

1. For fleet vehicles required to be registered pursuant to the provisions of Section 1120 of this title for which a properly completed application for registration has not been received by the Corporation Commission by the last day of the month following the registration expiration date, a penalty of thirty percent (30%) of the Oklahoma portion of the annual registration fee, or Two Hundred Dollars ($200.00), whichever is greater, shall be assessed. The license and registration cards issued by the Corporation Commission for each fleet vehicle shall be valid until two (2) months after the registration expiration date;

2. For commercial vehicles registered under the provisions of subsection B of this section, except those vehicles registered pursuant to Section 1133.1 of this title, a penalty shall be assessed after the last day of the month following the registration expiration date. A penalty of twenty-five cents ($0.25) per day

shall be added to the license fee of such vehicle and shall accrue for one (1) month. Thereafter, the penalty shall be thirty percent (30%) of the annual registration fee, or Two Hundred Dollars ($200.00), whichever is greater;

3. For new or used manufactured homes, not registered within thirty (30) days from date of purchase or date such manufactured home was brought into this state, a penalty equal to the registration fee shall be assessed; or

4. For all vehicles a penalty shall be assessed after the last day of the month following the expiration date and no penalty shall be waived by the Oklahoma Tax Commission or any motor license agent except as provided for in subsection H of Section 1133 and subsection C of Section 1127 of this title. A penalty of One Dollar ($1.00) per day shall be added to the license fee of such vehicle, provided that the penalty shall not exceed ~~One Hundred Dollars ($100.00)~~ Fifty Dollars ($50.00). Of each dollar penalty collected pursuant to this subsection:

a. twenty-one cents ($0.21) shall be apportioned as provided in Section 1104 of this title,

b. twenty-one cents ($0.21) shall be retained by the motor license agent, and

c. fifty-eight cents ($0.58) shall be deposited in the General Revenue Fund.

D. In addition to all other penalties provided in the Oklahoma Vehicle License and Registration Act, the following penalties shall be imposed and collected by any Enforcement Officer of the Corporation Commission upon finding any commercial vehicle being operated in violation of the provisions of the Oklahoma Vehicle License and Registration Act.

The penalties shall apply to any commercial vehicle found to be operating in violation of the following provisions:

1. A penalty of not less than Fifty Dollars ($50.00) shall be imposed upon any person found to be operating a commercial vehicle sixty (60) days after the end of the month in which the license plate or registration credentials expire without the current year license plate or registration credential displayed. Such penalty shall not exceed the amount established by the Corporation Commission pursuant to the provisions of subsection A of Section 1167 of this title. Revenue from such penalties shall be apportioned as provided in Section 1167 of this title;

2. A penalty of not less than Fifty Dollars ($50.00) shall be imposed for any person operating a commercial vehicle subject to the provisions of Section 1120 or Section 1133 of this title without the proper display of, or, carrying in such commercial vehicle, the identification credentials issued by the Corporation Commission as evidence of payment of the fee or tax as provided in Section 1120 or Section 1133 of this title. Such penalty shall not exceed the

amount established by the Corporation Commission pursuant to the provisions of subsection A of Section 1167 of this title. Revenue from such penalties shall be apportioned as provided in Section 1167 of this title; and

3. A penalty of not less than One Hundred Dollars ($100.00) shall be imposed for any person that fails to register any commercial vehicle subject to the Oklahoma Vehicle License and Registration Act. Such penalty shall not exceed the amount established by the Corporation Commission pursuant to the provisions of subsection A of Section 1167 of this title. Revenue from such penalties shall be apportioned as provided in Section 1167 of this title.

E. The Tax Commission, or Corporation Commission with respect to vehicles registered under Section 1120 or Section 1133 of this title, shall assess the registration fees and penalties for the year or years a vehicle was not registered. For vehicles not registered for two (2) or more years, the registration fees and penalties shall be due only for the current year and one (1) previous year.

F. In addition to any other penalty prescribed by law, there shall be a penalty of not less than Twenty Dollars ($20.00) upon a finding by an enforcement officer that:

1. The registration of a vehicle registered pursuant to Section 1132 of this title is expired and it is sixty (60) or more days after the end of the month of expiration; or

2. The registration fees for a vehicle that is subject to the registration fees pursuant to Section 1132 of this title have not been paid.

Such penalty shall not exceed the amount established by the Corporation Commission pursuant to the provisions of subsection A of Section 1167 of this title. Revenue from such penalties shall be apportioned as provided in Section 1167 of this title.

G. If a vehicle is donated to a nonprofit charitable organization, the nonprofit charitable organization shall be exempt from paying any current or past due registration fees, excise tax, transfer fees, and penalties and interest. However, after the donation, if the person donating the vehicle, or someone on behalf of such person, purchases the same vehicle back from the nonprofit charitable organization to which the vehicle was donated, such person shall be liable for all current and past-due registration fees, excise tax, title or transfer fees, and penalties and interest on such vehicle.

SECTION 2. AMENDATORY 47 O.S. 2011, Section 1132, as amended by Section 2, Chapter 337, O.S.L. 2012 (47 O.S. Supp. 2015, Section 1132), is amended to read as follows:

Section 1132. A. For all vehicles, unless otherwise specifically provided by the Oklahoma Vehicle License and Registration Act, a registration fee shall be assessed at the time of initial registration by the owner and annually thereafter, for

the use of the avenues of public access within this state in the following amounts:

1. For the first through the fourth year of registration in this state or any other state, Eighty-five Dollars ($85.00);

2. For the fifth through the eighth year of registration in this state or any other state, Seventy-five Dollars ($75.00);

3. For the ninth through the twelfth year of registration in this state or any other state, Fifty-five Dollars ($55.00);

4. For the thirteenth through the sixteenth year of registration in this state or any other state, Thirty-five Dollars ($35.00); and

5. For the seventeenth and any following year of registration in this state or any other state, Fifteen Dollars ($15.00).

The registration fee provided for in this subsection shall be in lieu of all other taxes, general or local, unless otherwise specifically provided.

B. For all-terrain vehicles and motorcycles used exclusively for use off roads or highways purchased on or after July 1, 2005, and for all-terrain vehicles and motorcycles used exclusively for use off roads or highways purchased prior to July 1, 2005, which the owner chooses to register pursuant to the provisions of Section 1115.3 of this title, an initial and nonrecurring registration fee of Eleven Dollars ($11.00) shall be assessed at the time of initial registration by the owner. Nine Dollars ($9.00) of the registration

fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund. Two Dollars ($2.00) of the registration fee shall be retained by the motor license agent. The fees required by subsection A of this section shall not be required for all-terrain vehicles or motorcycles used exclusively off roads and highways.

C. For utility vehicles used exclusively for use off roads or highways purchased on or after July 1, 2008, and for utility vehicles used exclusively for use off roads or highways purchased prior to July 1, 2008, which the owner chooses to register pursuant to the provisions of Section 1115.3 of this title, an initial and nonrecurring registration fee of Eleven Dollars ($11.00) shall be assessed at the time of initial registration by the owner. Nine Dollars ($9.00) of the registration fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund. Two Dollars ($2.00) of the registration fee shall be retained by the motor license agent. The fees required by subsection A of this section shall not be required for utility vehicles used exclusively off roads and highways.

D. There shall be a credit allowed with respect to the fee for registration of a new vehicle which is a replacement for:

1. A new original vehicle which is stolen from the purchaser/registrant 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 Oklahoma Tax Commission; or

2. A defective new original vehicle returned by the purchaser/registrant to the seller within six (6) months of the date of purchase of the defective new original vehicle as certified by the manufacturer.

The credit shall be in the amount of the fee for registration which was paid for the new original vehicle and shall be applied to the registration fee for the replacement vehicle. In no event will the credit be refunded.

E. Upon every transfer or change of ownership of a vehicle, the new owner shall obtain title for and, except in the case of salvage vehicles and manufactured homes, register the vehicle within thirty (30) days of change of ownership and pay a transfer fee of Fifteen Dollars ($15.00) in addition to any other fees provided for in this act. No new decal shall be issued to the registrant. Thereafter, the owner shall register the vehicle annually on the anniversary date of its initial registration in this state and shall pay the fees provided in subsection A of this section and receive a decal evidencing such payment. Provided, used motor vehicle dealers shall be exempt from the provisions of this section.

F. In the event a new or used vehicle is not registered, titled and tagged within thirty (30) days from the date of transfer of ownership, the penalty for the failure of the owner of the vehicle to register the vehicle within thirty (30) days shall be One Dollar ($1.00) per day, provided that in no event shall the penalty exceed

~~One Hundred Dollars ($100.00)~~ Fifty Dollars ($50.00). No penalty shall be waived by the Oklahoma Tax Commission or any motor license agent except as provided in subsection C of Section 1127 of this title. Of each dollar penalty collected pursuant to this subsection:

1. Twenty-one cents ($0.21) shall be apportioned as provided in Section 1104 of this title;

2. Twenty-one cents ($0.21) shall be retained by the motor license agent; and

3. Fifty-eight cents ($0.58) shall be deposited in the General Revenue Fund.

SECTION 3. AMENDATORY 47 O.S. 2011, Section 1151, as amended by Section 3, Chapter 337, O.S.L. 2012 (47 O.S. Supp. 2015, Section 1151), is amended to read as follows:

Section 1151. A. It shall be unlawful for any person to commit any of the following acts:

1. To lend or to sell to, or knowingly permit the use of by, one not entitled thereto any certificate of title, license plate or decal issued to or in the custody of the person so lending or permitting the use thereof;

2. To alter or in any manner change a certificate of title, registration certificate, license plate or decal issued under the laws of this or any other state;

3. To procure from another state or country, or display upon any vehicle owned by such person within this state, except as otherwise provided in the Oklahoma Vehicle License and Registration Act, any license plate issued by any state or country other than this state, unless there shall be displayed upon such vehicle at all times the current license plate and decal assigned to it by the Oklahoma Tax Commission or the Corporation Commission or the vehicle shall display evidence that the vehicle is registered as a nonresident vehicle pursuant to rules promulgated by the Tax Commission, with the concurrence of the Department of Public Safety. A violation of the provisions of this paragraph shall be presumed to have occurred if a person who is the holder of an Oklahoma driver license operates a vehicle owned by such person on the public roads or highways of this state and there is not displayed on the vehicle a current Oklahoma license plate and decal, unless the vehicle is owned by a member of the Armed Forces of the United States assigned to duty in this state in compliance with official military or naval orders or the spouse of such a member of the Armed Forces;

4. To drive, operate or move, or for the owner to cause or permit to be driven or moved, upon the roads, streets or highways of this state, any vehicle loaded in excess of its registered laden weight, or which is licensed for a capacity less than the manufacturer's rated capacity as provided for in the Oklahoma Vehicle License and Registration Act;

5. To operate a vehicle without proper license plate or decal or on which all taxes due the state have not been paid;

6. To buy, sell or dispose of, or possess for sale, use or storage, any secondhand or used vehicle on which the registration or license fee has not been paid, as required by law, and on which vehicle the person neglects, fails or refuses to display at all times the license plate or decal assigned to it;

7. To give a fictitious name or fictitious address or make any misstatement of facts in application for certificate of title and registration of a vehicle;

8. To purchase a license plate on an assigned certificate of title. This particular paragraph shall be applicable to all persons except a bona fide registered dealer in used cars who are holders of a current and valid used car dealer license;

9. To operate a vehicle upon the highways of this state after the registration deadline for that vehicle without a proper license plate, as prescribed by the Oklahoma Vehicle License and Registration Act, for the current year;

10. For any owner of a vehicle registered on the basis of laden weight to fail or refuse to weigh or reweigh it when requested to do so by any enforcement officer charged with the duty of enforcing this law;

11. To operate or possess any vehicle which bears a motor number or serial number other than the original number placed

thereon by the factory except a number duly assigned and authorized by the state;

12. For any motor license agent to release a license plate, a manufactured home registration receipt, decal or excise tax receipt to any unauthorized person or source, including any dealer in new or used motor vehicles. Violation of this paragraph shall constitute sufficient grounds for discharge of a motor license agent by the Tax Commission;

13. To operate any vehicle registered as a commercial vehicle without the lettering requirements of Section 1102 of this title; or

14. To operate any vehicle in violation of the provisions of Sections 7-600 through 7-606 of this title while displaying a yearly decal issued to the owner who has filed an affidavit with the appropriate motor license agent in accordance with Section 7-607 of this title.

Any person convicted of violating any provision of this subsection, other than paragraph 3 of this subsection, shall be deemed guilty of a misdemeanor and upon conviction shall be punished by a fine not to exceed Five Hundred Dollars ($500.00). Any person convicted of violating the provisions of paragraph 3 of this subsection shall be deemed guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not less than One Hundred Dollars ($100.00) and not more than Five Hundred Dollars ($500.00) and shall be required to obtain an Oklahoma license plate.

Employees of the Corporation Commission may be authorized by the Corporation Commission to issue citations to motor carriers or operators of commercial motor vehicles, pursuant to the jurisdiction of the Corporation Commission, for a violation of this subsection. If a person convicted of violating the provisions of this subsection was issued a citation by a duly authorized employee of the Corporation Commission, the fine herein levied shall be apportioned as provided in Section 1167 of this title.

B. Except as otherwise authorized by law, it shall be unlawful to:

1. Lend or sell to, or knowingly permit the use of by, one not entitled thereto any certificate of title issued for a manufactured home, manufactured home registration receipt, manufactured home registration decal or excise tax receipt;

2. Alter or in any manner change a certificate of title issued for a manufactured home under the laws of this state or any other state;

3. Remove or alter a manufactured home registration receipt, manufactured home registration decal or excise tax receipt attached to a certificate of title or attach such receipts to a certificate of title with the intent to misrepresent the payment of the required excise tax and registration fees;

4. Buy, sell, or dispose of, or possess for sale, use or storage any used manufactured home on which the registration fees or excise taxes have not been paid as required by law; or

5. Purchase identification, manufactured home registration receipt, manufactured home registration decal or excise tax receipt on an assigned certificate of title.

Anyone violating the provisions of this subsection, upon conviction, shall be guilty of a felony.

C. In the event a new vehicle is not registered within thirty (30) days from date of purchase, the penalty for the failure of the owner of the vehicle to register the vehicle within thirty (30) days shall be One Dollar ($1.00) per day; provided, that in no event shall the penalty exceed ~~One Hundred Dollars ($100.00)~~ Fifty Dollars ($50.00). No penalty shall be waived by the Oklahoma Tax Commission or any motor license agent except as provided in subsection C of Section 1127 of this title. Of each dollar penalty collected pursuant to this subsection:

1. Twenty-one cents ($0.21) shall be apportioned as provided in Section 1104 of this title;

2. Twenty-one cents ($0.21) shall be retained by the motor license agent; and

3. Fifty-eight cents ($0.58) shall be deposited in the General Revenue Fund. The penalty for new commercial vehicles shall be equal to the license fee for such vehicles.

If a used vehicle is brought into Oklahoma by a resident of this state and is not registered within thirty (30) days, a penalty of One Dollar ($1.00) per day shall be charged from the date of entry to the date of registration; provided, that in no event shall the penalty exceed ~~One Hundred Dollars ($100.00)~~ Fifty Dollars ($50.00). No penalty shall be waived by the Oklahoma Tax Commission or any motor license agent except as provided in subsection C of Section 1127 of this title. Of each dollar penalty collected pursuant to this subsection:

1. Twenty-one cents ($0.21) shall be apportioned as provided in Section 1104 of this title;

2. Twenty-one cents ($0.21) shall be retained by the motor license agent; and

3. Fifty-eight cents ($0.58) shall be deposited in the General Revenue Fund. The penalty for used commercial vehicles shall be equal to the license fee for such vehicles.

D. Any owner who knowingly makes or causes to be made any false statement of a fact required in this section to be shown in an application for the registration of one or more vehicles shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined not more than One Thousand Dollars ($1,000.00), or shall be imprisoned in the county jail for not more than one (1) year, or by both such fine and imprisonment.

E. The following self-propelled or motor-driven and operated vehicles shall not be registered under the provisions of the Oklahoma Vehicle License and Registration Act or, except as provided for in Section 11-1116 of this title, be permitted to be operated on the streets or highways of this state:

1. Vehicles known and commonly referred to as "minibikes" and other similar trade names; provided, minibikes may be registered and operated in this state by food vendor services upon streets having a speed limit of thirty (30) miles per hour or less;

2. Golf carts;

3. Go-carts; and

4. Other motor vehicles, except motorcycles, which are manufactured principally for use off the streets and highways.

Transfers and sales of such vehicles shall be subject to sales tax and not motor vehicle excise taxes.

F. Any person violating paragraph 3 or 6 of subsection A of this section, in addition to the penal provisions provided in this section, shall pay as additional penalty a sum equal to the amount of license fees due on such vehicle or registration fees due on a manufactured home known to be in violation and such amount is hereby declared to be a lien upon the vehicle as provided in the Oklahoma Vehicle License and Registration Act. In addition to the penalty provisions provided in this section, any person violating paragraph 3 of subsection A of this section shall be deemed guilty of a

misdemeanor and shall, upon conviction, be punished by a fine of One Hundred Dollars ($100.00).

G. Each violation of any provision of the Oklahoma Vehicle License and Registration Act for each and every day such violation has occurred shall constitute a separate offense.

H. Anyone violating any of the provisions heretofore enumerated in this section shall be guilty of a misdemeanor and upon conviction shall be fined not less than Ten Dollars ($10.00) and not to exceed Three Hundred Dollars ($300.00).

I. Any violation of any portion of the Oklahoma Vehicle License and Registration Act where a specific penalty has not been imposed shall constitute a misdemeanor and upon conviction thereof the person having violated it shall be fined not less than Ten Dollars ($10.00) and not to exceed Three Hundred Dollars ($300.00).

J. Any provision of the Oklahoma Vehicle License and Registration Act providing for proportional registration under reciprocal agreements and the International Registration Plan that relates to the promulgation of rules and regulations shall not be subject to the provisions of this section.

SECTION 4. This act shall become effective January 1, 2017.

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