

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 SENATE BILL 1459

By: Stanislawski

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6 AS INTRODUCED

7 An Act relating to motor vehicle license plates;
8 amending 47 O.S. 2011, Section 1137.1, as amended by
9 Section 7, Chapter 386, O.S.L. 2015 (47 O.S. Supp.
10 2015, Section 1137.1), which relates to used dealer
11 temporary license plates; authorizing use of used
12 dealer temporary plates for certain nonprofit
13 organizations for specified purposes; requiring
14 Oklahoma Tax Commission to design plates; and
15 providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2011, Section 1137.1, as
amended by Section 7, Chapter 386, O.S.L. 2015 (47 O.S. Supp. 2015,
Section 1137.1), is amended to read as follows:

Section 1137.1. A. Except for vehicles, travel trailers or
commercial trailers which display a current Oklahoma license tag,
upon the purchase or transfer of ownership of a used motor vehicle,
travel trailer or commercial trailer, including an out-of-state
purchase or transfer of the same, to a licensed used motor vehicle
dealer, wholesale used motor vehicle dealer, used travel trailer
dealer or used commercial trailer dealer, subsequently referred to

1 in this section as "dealer", the dealer shall affix a used dealer's
2 plate visible from the rear of the vehicle, travel trailer or
3 commercial trailer. Such license plate shall expire on December 31
4 of each year. When the vehicle, travel trailer or commercial
5 trailer is parked on the dealer's licensed place of business, it
6 shall not be required to have a license plate of any kind affixed.
7 A dealer shall obtain from the Oklahoma Tax Commission at a cost of
8 Ten Dollars (\$10.00) a dealer license plate for demonstrating,
9 transporting or any other normal business of a dealer including use
10 by an individual holding a valid salesperson's license issued by the
11 Oklahoma Used Motor Vehicle and Parts Commission. Any dealer who
12 operates a wrecker or towing service licensed pursuant to Sections
13 951 through 957 of this title shall register each wrecker vehicle
14 and display a wrecker license plate on each vehicle as required by
15 Section 1134.3 of this title. A dealer may obtain as many
16 additional license plates as may be desired upon the payment of Ten
17 Dollars (\$10.00) for each additional license plate. Use of the used
18 dealer license plate by a licensed dealer for other than the
19 purposes as set forth herein shall constitute grounds for revocation
20 of the dealer's license. The Oklahoma Tax Commission shall design
21 the official used dealer license plate to include the used dealer's
22 license number issued to him or her each year by the Commission or
23 the Used Motor Vehicle and Parts Commission.
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1 B. Upon the purchase or transfer of ownership of an out-of-
2 state used motor vehicle, travel trailer or commercial trailer to a
3 licensed dealer, the dealer shall make application for an Oklahoma
4 certificate of title pursuant to the Oklahoma Vehicle License and
5 Registration Act, Section 1101 et seq. of Title 47 of the Oklahoma
6 Statutes. Upon receipt of the Oklahoma certificate of title, the
7 dealer shall follow the procedure as set forth in subsection A of
8 this section. Provided, nothing in this title shall be construed as
9 requiring a dealer to register a used motor vehicle, travel trailer
10 or commercial trailer purchased in another state which will not be
11 operated or sold in this state.

12 C. Upon sale or transfer of ownership of the used motor vehicle
13 or travel trailer, the dealer shall place upon the reassignment
14 portion of the certificate of title a tax stamp issued by the county
15 treasurer of the county in which the dealer has his or her primary
16 place of business. The tax stamp shall be issued upon payment of a
17 fee of Three Dollars and fifty cents (\$3.50) and shall be in lieu of
18 the dealer's ad valorem tax on the inventories of used motor
19 vehicles or travel trailers but shall not relieve any other property
20 of the dealer from ad valorem taxation.

21 D. Upon sale of a used motor vehicle or travel trailer to
22 another licensed dealer, the selling dealer shall place the tax
23 stamp required in subsection C of this section upon the certificate
24 of title. The used dealer license plate or wholesale dealer license

1 plate shall be removed by the selling dealer. The purchasing dealer
2 shall, at time of purchase, place his or her dealer license plate on
3 the used motor vehicle, travel trailer or commercial trailer as
4 provided in subsection A of this section; provided, for vehicles,
5 travel trailers or commercial trailers purchased by a licensed used
6 dealer at an auction, in lieu of such placement of the dealer
7 license plate, the auction may provide temporary documentation as
8 approved by the Director of the Motor Vehicle Division of the
9 Oklahoma Tax Commission for the purpose of transporting such vehicle
10 to the purchaser's point of destination. Such temporary
11 documentation shall be valid for two (2) days following the date of
12 sale.

13 E. The purchaser of every used motor vehicle, travel trailer or
14 commercial trailer, except as otherwise provided by law, shall
15 obtain registration and title for the vehicle or trailer within
16 thirty (30) days from the date of purchase of same. It shall be the
17 responsibility of the selling dealer to place a temporary license
18 plate, in size similar to the permanent Oklahoma license plate but
19 of a weatherproof plastic-impregnated substance approved by the Used
20 Motor Vehicle and Parts Commission, upon a used motor vehicle,
21 travel trailer or commercial trailer when a transaction is completed
22 for the sale of said vehicle. The temporary license plate under
23 this subsection shall be placed at the location provided for the
24 permanent motor vehicle license plate. The temporary license plate

1 shall show the license number which is issued to the dealer each
2 year by the Oklahoma Tax Commission or the Used Motor Vehicle and
3 Parts Commission, the date the used motor vehicle, travel trailer or
4 commercial trailer was purchased and the company name of the selling
5 dealer. The Used Motor Vehicle and Parts Commission is hereby
6 directed to develop the temporary license plate design to
7 incorporate these requirements in a manner that will permit law
8 enforcement personnel to readily identify the dealer license number
9 and date of the vehicle purchase. The Used Motor Vehicle and Parts
10 Commission is hereby authorized to develop additional requirements
11 and parameters as deemed appropriate to discourage or prevent
12 illegal duplication and use of the temporary license plate. Such
13 temporary license plate shall be valid for a period of thirty (30)
14 days from the date of purchase. Use of the temporary license by a
15 dealer for other than the purposes set forth herein shall constitute
16 grounds for revocation of the dealer's license to conduct business.
17 Purchasers of a commercial trailer shall affix the temporary license
18 plate to the rear of the commercial trailer. The purchaser shall
19 display the temporary license plate for a period not to exceed
20 thirty (30) days or until registration and title are obtained as
21 provided in this section.

22 The provisions of this subsection on temporary licenses shall
23 apply to nonresidents who purchase a used motor vehicle, travel
24 trailer or commercial trailer within this state that is to be

1 licensed in another state. The nonresident purchaser shall be
2 allowed to operate the vehicle or trailer within the state with a
3 temporary license plate for a period not to exceed thirty (30) days
4 from date of purchase. Any nonresident purchaser found to be
5 operating a used motor vehicle, travel trailer or commercial trailer
6 within this state after thirty (30) days shall be subject to the
7 registration fees of this state upon the same terms and conditions
8 applying to residents of this state.

9 F. It shall be unlawful for any dealer to procure the
10 registration and licensing of any used motor vehicle, travel trailer
11 or commercial trailer sold by the dealer or to act as the agent for
12 the purchaser in the procurement of the registration and licensing
13 of the purchaser's used vehicle, travel trailer or commercial
14 trailer. A license of any dealer violating the provision of this
15 section may be revoked.

16 G. Dealers following the procedure set forth herein shall not
17 be required to register vehicles, travel trailers or commercial
18 trailers to which this section applies, nor will the registration
19 fee otherwise required be assessed. Provided, dealers shall not
20 purchase or trade for a used motor vehicle, travel trailer or
21 commercial trailer on which the registration therefor has been
22 expired for a period exceeding thirty (30) days without obtaining
23 current registration therefor.
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1 H. A nonprofit charitable organization which is exempt from
2 taxation pursuant to the provisions of the Internal Revenue Code, 26
3 U.S.C., Section 501 (c) (3), and which accepts donations of used
4 motor vehicles previously titled in Oklahoma to be repaired and
5 subsequently transferred to another owner shall only be considered a
6 dealer when complying with the following requirements:

7 1. Registration and titling of motor vehicles previously titled
8 in Oklahoma and donated to the qualifying organization;

9 2. Procurement and use of dealer demonstrator license plates
10 issued by the Oklahoma Tax Commission upon the qualifying
11 organization providing sufficient documentation to the Tax
12 Commission. Such plates may be utilized only for demonstration of
13 the donated motor vehicle by a prospective purchaser. The Tax
14 Commission shall design distinctive license plates for this purpose;
15 and

16 3. The transfer of ownership from the vehicle donor to the
17 qualifying nonprofit organization without the payment of motor
18 vehicle excise tax levied pursuant to Section 2103 of Title 68 of
19 the Oklahoma Statutes.

20 SECTION 2. This act shall become effective November 1, 2016.

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