

**OKLAHOMA TAX COMMISSION**

**FISCAL IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT  
FIRST REGULAR SESSION, FIFTY-FIFTH OKLAHOMA LEGISLATURE**

**DATE OF IMPACT STATEMENT:** January 31, 2015

**BILL NUMBER:** SB 241 **STATUS AND DATE OF BILL:** Introduced 01/15/2015

**AUTHORS:** House n/a Senate Fields

**TAX TYPE (S):** Boats and Motors **SUBJECT:** Other

**PROPOSAL:** New Law 63 O.S. §§ 4002 & 4041

Section 1 of the measure proposes to redefine canoes as a light, slender boat with pointed ends, propelled by paddles and includes similar craft such as kayaks.

Section 2 provides for voluntary registration of canoes pursuant to the filing of an application with the OTC for a certificate of title, number, and annual canoe registration. Payment of a \$1.00 fee would be required for optional registration. Registration pursuant to this Section will not subject canoe sales to excise tax. Sales tax will continue to be imposed on canoe transfers.

**EFFECTIVE DATE:** November 1, 2015

**REVENUE IMPACT:**

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

FY 16: Minimal increase in vessel and motor collections apportioned pursuant to Section 1104 of Title 47.

FY 17: Minimal increase in vessel and motor collections apportioned pursuant to Section 1104 of Title 47.

**ADMINISTRATIVE IMPACT:**

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

FY 16: None

<u>Jan. 31, 2015</u> DATE	<u>Rick Miller</u> DIVISION DIRECTOR	<u>msm</u>
<u>2-2-15</u> DATE	<u>Reece Womack</u> REECE WOMACK, ECONOMIST	
<u>2/2/15</u> DATE	<u>Dan Cash</u> FOR THE COMMISSION	

**ATTACHMENT TO FISCAL IMPACT—SB 0241-[Introduced] Prepared January 31, 2015.**

Section 1 proposes to redefine canoes as a light, slender boat with pointed ends, propelled by paddles and includes similar craft such as kayaks.

No revenue or administrative impact is associated with Section 1 of this measure.

Section 2 provides for voluntary registration of canoes pursuant to the filing of an application with the OTC for a certificate of title, number, and annual canoe registration. Payment of a \$1.00 fee would be required for optional registration. Registration pursuant to this Section will not subject canoe sales to excise tax. Sales tax will continue to be imposed on canoe transfers.

Based on the number of canoes, paddleboats and kayaks projected to be optionally registered, a minimal increase in vessel and motor collections apportioned pursuant to Section 1104 of Title 47 is estimated to occur as result of this proposal.

Presently, Section 4014(A) of Title 63 provides a fee of \$2.25 for a vessel or motor certificate of title. Pursuant to 47 O.S. § 1141.1(A)(2), a motor license agent may retain \$1.25 of the title fee.

Likewise, in accordance with Section 1141.1(B) of Title 47, motor license agents retain for each boat or motor registration an amount to be computed and determined by the Tax Commission which for calendar year 2015, is set at \$2.98. The proposal in SB 241 provides for a \$1 fee for optional registration. Consequently, funding of the \$1.98 deficit needs to be addressed or alternatively a limitation set that these optional transactions only be processed by the Tax Commission.