

OKLAHOMA TAX COMMISSION

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

DATE OF IMPACT STATEMENT: February 16, 2018

BILL NUMBER: SB 1028 **STATUS AND DATE OF BILL:** Introduced 01/17/2018

AUTHORS: House n/a Senate Bice

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

PROPOSAL: Amendatory

Senate Bill 1028 proposes amendment to Section 1141.1 of Title 47 which outlines Motor License Agent statutorily established tax retention and fee amounts for titling and registration of vehicles/boats/motors, collection of excise/sales tax, issuance of permits, provision of driver licenses and traffic records in addition to other duties specified by the Tax Commission related to the enforcement of or administration of any state tax law. The current motor vehicle tax/fee collection system allows the Motor License Agent to deduct and retain the amounts outlined in Section 1141.1 from their daily deposits to the Tax Commission. With the exception of certain notary, mail, and examination fees charged by the Motor License Agent, the procedural changes proposed herein would require all monies, taxes and fees collected by the Motor License Agent to be deposited in a designated Oklahoma Tax Commission Motor License Agent Account under current procedures established in Section 1142 of Title 47 with the applicable amount to be remitted back to the agent bi-weekly.

EFFECTIVE DATE: November 1, 2018

REVENUE IMPACT:

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

FY 19: None

FY 20: None

ADMINISTRATIVE IMPACT:

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

FY 19: None

Feb. 16, 2018
DATE

Rick Miller
DIVISION DIRECTOR

rgm, cjc

2-16-18
DATE

Reece Womack
REECE WOMACK, ECONOMIST

2.16.18
DATE

For the Commission
FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT–SB 1028–[Introduced]–Prepared 02/16/2018

Senate Bill 1028 proposes amendment to Section 1141.1 of Title 47 which outlines Motor License Agent statutorily established tax retention and fee amounts for titling and registration of vehicles/boats/motors, collection of excise/sales tax, issuance of permits, provision of driver licenses and traffic records in addition to other duties specified by the Tax Commission related to the enforcement or administration of any state tax law. The current motor vehicle tax/fee collection system allows the Motor License Agent to deduct and retain the amounts outlined in Section 1141.1 from their daily deposits to the Tax Commission. With the exception of certain notary, mail, and examination fees charged by the Motor License Agent, the procedural changes proposed herein would require all monies, taxes and fees collected by the Motor License Agent to be deposited in a designated Oklahoma Tax Commission Motor License Agent Account under current procedures established in Section 1142 of Title 47 with the applicable amount to be remitted back to the agent bi-weekly. Motor License Agent compensation amounts are not affected by this measure.

The proposed measure adds an additional internal audit control and accounting safeguard to effectuate the proper designation, allocation and apportionment of motor vehicle revenues. There is no impact to state revenues or additional costs/savings to the Tax Commission projected to occur as a result of this measure.