

BILL SUMMARY
2nd Session of the 57th Legislature

Bill No.:	HB 4049
Version:	INT
Request Number:	9304
Author:	Mr. Speaker
Date:	2/28/2020
Impact:	Tax Commission:

**Decrease in Deposits
To the Tax Commission Revolving Fund
FY-21 Estimate: (\$915,802)**

Research Analysis

HB 4049 requires that a person using the Tax Commission's online registration system to register a vehicle or obtain a license plate to select a motor license agent.

Prepared By: Brad Wolgamott

Fiscal Analysis

Analysis provided by the Tax Commission:

The measure proposes amendment to Section 1132A of Title 47 to affect any online system administered by the Tax Commission dealing with the Vehicle License and Registration Act to require the Commission to include a step where an individual taxpayer must select a motor license agent to process the registration renewal. Currently, taxpayers utilizing an online vehicle registration system are allowed to select between the Tax Commission and any motor license agent for purposes of completing motor vehicle, commercial trailer and boat and outboard motor registration transactions.

No impact to state revenues are anticipated as a result of this proposal

Pursuant to taxpayer selections through the OkCARS online system¹, the OTC processed 208,668 transactions² in FY 19 including registration renewals for boats and outboard motors, motor vehicles, commercial trailers and special/personalized plates.³ Agent, insurance verification and tag and decal mailing fees, associated with these transactions totaled \$1,373,703. The measure provides for an effective date of November 1, 2020. Assuming similar vehicle transactions in FY 21, a decrease of \$915,802 in deposits to the Oklahoma Tax Commission Revolving Fund is estimated.

¹ Due to the FY 20 implementation of the Gov2go and Payit vehicle registration renewal systems, transactions completed thereon are not included for purposes of this impact.

² These transactions include the issuance of new special/personalized plates which currently may only be performed by the Tax Commission.

Prepared By: Mark Tygret

Other Considerations

The Tax Commission Revolving is used by the agency operations and revenue to the fund includes portions of retention of local sales and use taxes, tire recycling fees and other sources.. FY-19 agency expenditures from the fund approached \$33.4 million.

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