

Fiscal Impact
2nd Session of the 57th Legislature

Bill No.:
Version:
Author:
Date:

SB 1623
INT
Sen. Daniels
02/20/2020

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT
SECOND REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: February 21, 2020

BILL NUMBER: SB 1623 **STATUS AND DATE OF BILL:** Introduced 01/16/2020

AUTHORS: House n/a Senate Daniels

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

PROPOSAL: Amendatory

The measure proposes to amend 47 O.S. § 1112.2 by providing an exception that when a lender or lender's agent repossesses a vehicle for which a license plate has not been removed, the lender or lender's is not subject to the provision in this section to remove such plate. The license plate will be considered personal property subject to the statutory provisions for reclaiming personal property which has been repossessed. It further allows a person who purchases a vehicle subject to a lien to obtain a 30-day temporary plate from a motor agent. This provision will be pursuant to the promulgation of rules by OTC to implement motor license agent issuance of temporary plate in this instance.

EFFECTIVE DATE: November 1, 2020

REVENUE IMPACT:

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

FY 20: Minimal impact in motor vehicle collections
FY 21: Minimal impact in motor vehicle collections

ADMINISTRATIVE IMPACT:

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

FY 20: \$85,000 estimated OTC administrative costs

Feb. 21, 2020
DATE

Rick Miller
DIVISION DIRECTOR

bjs

2/21/2020
DATE

Huan Gong
HUAN GONG, ECONOMIST

2/21/2020
DATE

[Signature]
FOR THE COMMISSION

**The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.*

Attachment to Revenue Impact – SB 1623 – [Introduced] – Prepared February 21, 2020

The measure proposes to amend 47 O.S. § 1112.2 by providing an exception that when a lender or lender's agent repossesses a vehicle for which a license plate has not been removed, the lender or lender's agent is not required to remove the plate. The license plate will be considered personal property subject to the statutory provisions for reclaiming personal property which has been repossessed. It further allows a person who purchases a vehicle subject to a lien to obtain a 30-day temporary plate from a motor license agent. This provision will be pursuant to the promulgation of rules by OTC to implement motor license agent issuance of temporary plate in this instance.

REVENUE IMPACT

Any impact to motor vehicle collections is estimated to be minimal.

ADMINISTRATIVE COSTS AND CONCERNS

Additional administrative costs in the amount of \$85,000 related to programming and motor vehicle system modifications are anticipated.

The amendatory language does not address whether a fee is to be charged for the 30-day temporary plate issuance. Also, while not specifically stated, it is assumed that the described permit will provide for the date of sale of the vehicle, will be valid for a period of thirty days from the date of purchase in a manner similar to temporary tags issued by motor vehicle dealers and that qualifying persons will be required to obtain the temporary plate within five days of the vehicle purchase date.