STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

SENATE BILL 717 By: Standridge

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AS INTRODUCED

An Act relating to the Oklahoma Vehicle License and Registration Act; amending 47 O.S. 2011, Sections 1116, 1132, as amended by Section 2, Chapter 337, O.S.L. 2012 and 1135.1, as amended by Section 1, Chapter 26, O.S.L. 2016 (47 O.S. Supp. 2020, Sections 1132 and 1135.1), which relate to issuance of license plates; after specified date, authorizing single registration period when physically disabled license plate and standard license plate are issued; requiring certain rulemaking by Oklahoma Tax Commission; after specified date, providing for single fee, registration period and plate issue for physically disabled license plate; requiring surrender of standard issue plate under specified circumstances; construing provision with respect to apportionment; updating statutory reference; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2011, Section 1116, is amended to read as follows:

Section 1116. A. Twelve registration periods shall be established for vehicles required to be registered on a staggered basis. The registration periods shall start on the first day of each calendar month and shall end on the last day of that month.

Unless otherwise provided, all such vehicles where the date of execution of transfer of ownership occurs in this state at any time during a calendar month shall be subject to registration and payment of the fee for the registration period commencing the first day of the month of such date of execution of transfer.

- B. A person who registers more than one vehicle may have all of such vehicles initially registered at the same time or at separate times. Any person who obtains a vehicle may, upon registration, have the registration period adjusted to allow future registration of all such vehicles at the same period or at a different period.
- C. On and after January 1, 2022, if a physically disabled license plate is issued pursuant to paragraph 3 of subsection B of Section 1135.1 of this title for a vehicle which is subject to the requirements of Section 1132 of this title, the registration periods for the vehicle may be combined into a single registration period. The Oklahoma Tax Commission shall determine, by rule, a method for adjusting the twelve-month period.
- SECTION 2. AMENDATORY 47 O.S. 2011, Section 1132, as amended by Section 2, Chapter 337, O.S.L. 2012 (47 O.S. Supp. 2020, Section 1132), is amended to read as follows:

Section 1132. A. For all vehicles, unless otherwise specifically provided by the Oklahoma Vehicle License and Registration Act, a registration fee shall be assessed at the time of initial registration by the owner and annually thereafter, for

the use of the avenues of public access within this state in the following amounts:

- 1. For the first through the fourth year of registration in this state or any other state, Eighty-five Dollars (\$85.00);
- 2. For the fifth through the eighth year of registration in this state or any other state, Seventy-five Dollars (\$75.00);
- 3. For the ninth through the twelfth year of registration in this state or any other state, Fifty-five Dollars (\$55.00);
- 4. For the thirteenth through the sixteenth year of registration in this state or any other state, Thirty-five Dollars (\$35.00); and
- 5. For the seventeenth and any following year of registration in this state or any other state, Fifteen Dollars (\$15.00).

The registration fee provided for in this subsection shall be in lieu of all other taxes, general or local, unless otherwise specifically provided.

On and after January 1, 2022, if a physically disabled license plate is issued pursuant to paragraph 3 of subsection B of Section 1135.1 of this title, any registration fee required for such plate and the fee required pursuant to this subsection shall be remitted at the same time and subject to a single registration period. Upon receipt of a physically disabled license plate, the standard issue plate must be surrendered to the Oklahoma Tax Commission or motor license agent. The physically disabled plate must be properly

displayed as required for a standard issue and will be the sole

plate issued and assigned to the vehicle. The Oklahoma Tax

Commission shall determine, by rule, a method for making required

fee adjustments when a physically disabled license plate is obtained

during a twelve-month period for which a registration fee has

already been remitted pursuant to this subsection. The combination

of fees in a single remittance shall not alter the apportionment

otherwise provided for by law.

- B. For all-terrain vehicles and motorcycles used exclusively for use off roads or highways purchased on or after July 1, 2005, and for all-terrain vehicles and motorcycles used exclusively for use off roads or highways purchased prior to July 1, 2005, which the owner chooses to register pursuant to the provisions of Section 1115.3 of this title, an initial and nonrecurring registration fee of Eleven Dollars (\$11.00) shall be assessed at the time of initial registration by the owner. Nine Dollars (\$9.00) of the registration fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund. Two Dollars (\$2.00) of the registration fee shall be retained by the motor license agent. The fees required by subsection A of this section shall not be required for all-terrain vehicles or motorcycles used exclusively off roads and highways.
- C. For utility vehicles used exclusively for use off roads or highways purchased on or after July 1, 2008, and for utility vehicles used exclusively for use off roads or highways purchased

prior to July 1, 2008, which the owner chooses to register pursuant to the provisions of Section 1115.3 of this title, an initial and nonrecurring registration fee of Eleven Dollars (\$11.00) shall be assessed at the time of initial registration by the owner. Nine Dollars (\$9.00) of the registration fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund. Two Dollars (\$2.00) of the registration fee shall be retained by the motor license agent. The fees required by subsection A of this section shall not be required for utility vehicles used exclusively off roads and highways.

- D. There shall be a credit allowed with respect to the fee for registration of a new vehicle which is a replacement for:
- 1. A new original vehicle which is stolen from the purchaser/registrant within ninety (90) days of the date of purchase of the original vehicle as certified by a police report or other documentation as required by the Oklahoma Tax Commission; or
- 2. A defective new original vehicle returned by the purchaser/registrant to the seller within six (6) months of the date of purchase of the defective new original vehicle as certified by the manufacturer.

The credit shall be in the amount of the fee for registration which was paid for the new original vehicle and shall be applied to the registration fee for the replacement vehicle. In no event will the credit be refunded.

E. Upon every transfer or change of ownership of a vehicle, the new owner shall obtain title for and, except in the case of salvage vehicles and manufactured homes, register the vehicle within thirty (30) days of change of ownership and pay a transfer fee of Fifteen Dollars (\$15.00) in addition to any other fees provided for in this act the Oklahoma Vehicle License and Registration Act. No new decal shall be issued to the registrant. Thereafter, the owner shall register the vehicle annually on the anniversary date of its initial registration in this state and shall pay the fees provided in subsection A of this section and receive a decal evidencing such payment. Provided, used motor vehicle dealers shall be exempt from the provisions of this section.

- F. In the event a new or used vehicle is not registered, titled and tagged within thirty (30) days from the date of transfer of ownership, the penalty for the failure of the owner of the vehicle to register the vehicle within thirty (30) days shall be One Dollar (\$1.00) per day, provided that in no event shall the penalty exceed One Hundred Dollars (\$100.00). No penalty shall be waived by the Oklahoma Tax Commission or any motor license agent except as provided in subsection C of Section 1127 of this title. Of each dollar penalty collected pursuant to this subsection:
- 1. Twenty-one cents (\$0.21) shall be apportioned as provided in Section 1104 of this title;

2. Twenty-one cents (\$0.21) shall be retained by the motor license agent; and

- 3. Fifty-eight cents (\$0.58) shall be deposited in the General Revenue Fund.
- SECTION 3. AMENDATORY 47 O.S. 2011, Section 1135.1, as amended by Section 1, Chapter 26, O.S.L. 2016 (47 O.S. Supp. 2020, Section 1135.1), is amended to read as follows:

Section 1135.1. A. The Oklahoma Tax Commission is hereby authorized to design and issue appropriate official special license plates to persons as provided by this section.

Special license plates shall not be transferred to any other person but shall be removed from the vehicle upon transfer of ownership and retained. The special license plate may then be used on another vehicle but only after such other vehicle has been registered for the current year.

Except as provided in subsection B of this section, special license plates shall be renewed each year by the Tax Commission or a motor license agent. The Tax Commission shall annually notify by mail all persons issued special license plates. The notice shall contain all necessary information and shall contain instructions for the renewal procedure upon presentation to a motor license agent or the Tax Commission. The license plates shall be issued on a staggered system. The motor license agent fees shall be paid out of the Oklahoma Tax Commission Reimbursement Fund.

On and after January 1, 2022, if a physically disabled license plate is issued pursuant to paragraph 3 of subsection B of this section, any registration fee required for such plate pursuant to this section and the fee required pursuant to Section 1132 of this title shall be remitted at the same time and subject to a single registration period. The Oklahoma Tax Commission shall determine, by rule, a method for making required fee and registration period adjustments if a physically disabled license plate is obtained during a twelve-month period for which a registration fee has already been remitted pursuant to Section 1132 of this title. The combination of fees in a single remittance shall not alter the apportionment otherwise provided for in this section.

- B. The special license plates provided by this section are as follows:
- 1. Political Subdivision Plates such plates shall be designed for any vehicle owned by any political subdivision of this state having obtained a proper Oklahoma certificate of title. Such political subdivisions shall file an annual report with the Tax Commission stating the agency where such vehicle is located. Such license plates shall be permanent in nature and designed in such a manner as to remain with the vehicle for the duration of the life span of the vehicle or until the title is transferred to an owner who is not a political subdivision.

The registration fee shall be Eight Dollars (\$8.00) and shall be in addition to all other registration fees provided by law, except the registration fees levied by Section 1132 of this title;

- 2. Tax-Exempt or Nonprofit License Plates such plates shall be designed for:
 - a. any motor bus, manufactured home, or mobile chapel and power unit owned and operated by a religious corporation or society of this state holding a valid exemption from taxation issued pursuant to Section 501(a) of the Internal Revenue Code, 26 U.S.C., Section 501(a), and listed as an exempt organization in Section 501(c)(3) of the Internal Revenue Code, as amended, 26 U.S.C., Section 501(c)(3), and that is used by the corporation or society solely for the furtherance of its religious functions,
 - b. any vehicle owned and operated only by nonprofit organizations devoted exclusively to youth programs including, but not limited to, the Girl Scouts and Boy Scouts of America,
 - c. any vehicle, except passenger automobiles, owned or operated by nonprofit organizations actually involved in programs for the employment of the handicapped and used exclusively in the transportation of goods or materials for such organization,

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- d. any vehicle owned and operated by a nonprofit organization that provides older persons transportation to and from medical, dental and religious services and relief from business and social isolation,
- e. any vehicle owned and operated by a private nonprofit organization that:
 - (1) warehouses and distributes surplus foods to other nonprofit agencies and organizations, and
 - (2) holds a valid exemption from taxation issued pursuant to Section 501(c) of the Internal Revenue Code, as amended, 26 U.S.C., Section 501(c), and listed as an exempt organization in Section 501(c)(3) of the Internal Revenue Code, as amended, and
 - (3) uses such vehicle exclusively for the transportation of such surplus foods,
- f. any vehicle which:
 - (1) is owned and operated by a private, nonprofit organization which is exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and which is primarily funded by a

fraternal or civic service organization with at least one hundred local chapters or clubs, and

- (2) is designed and used to provide mobile health screening services to the general public at no cost to the recipient, and for which no reimbursement of any kind is received from any health insurance provider, health maintenance organization or governmental program, or
- any vehicle owned and operated by the Civil Air g. Patrol, a congressionally chartered corporation that also serves an auxiliary of the United States Air Force and which is exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and is used exclusively for its corporate missions of aerospace education, cadet programs and emergency services. Such license plates shall be permanent in nature and designed in such a manner as to remain with the vehicle for the duration of the life span of the vehicle or until the title to such vehicle is transferred to an owner who is not subject to this exemption. Such vehicles shall be exempt from the registration fees levied under Section 1132 of this title, except that an initial registration fee of

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Twenty-five Dollars (\$25.00) shall apply to each vehicle.

Any person claiming to be eligible for a tax-exempt or nonprofit license plate under the provisions of this paragraph must have the name of the tax-exempt or nonprofit organization prominently displayed upon the outside of the vehicle, except those vehicles registered pursuant to the provisions of subparagraph b of this paragraph, unless such display is prohibited by federal or state law or by state agency rules. No vehicle shall be licensed as a tax-exempt or nonprofit vehicle unless the vehicle has affixed on each side thereof, in letters not less than two (2) inches high and two (2) inches wide, the name of the tax-exempt or nonprofit organization or the insignia or other symbol of such organization which shall be of sufficient size, shape and color as to be readily legible during daylight hours from a distance of fifty (50) feet while the vehicle is not in motion.

Except as provided in subparagraph g of this paragraph, the registration fee shall be Eight Dollars (\$8.00) and shall be in addition to all other registration fees provided by law, except the registration fees levied by Section 1132 of this title;

3. Physically Disabled License Plates - such plates shall be designed for persons who are eligible for a physically disabled placard under the provisions of Section 15-112 of this title. It shall prominently display the international accessibility symbol,

which is a stylized human figure in a wheelchair. The Tax Commission shall also design physically disabled license plates for motorcycles owned by persons who are eliqible for a physically disabled placard pursuant to the provisions of Section 15-112 of this title. Upon the death of the physically disabled person, the disabled license plate shall be returned to the Tax Commission. There shall be no fee for such plate in addition to the rate provided by the Oklahoma Vehicle License and Registration Act for the registration of the vehicle. For an additional fee of Ten Dollars (\$10.00), a person eligible for a physically disabled license plate shall have the option of purchasing a duplicate physically disabled special license plate which shall be securely attached to the front of the vehicle. The original physically disabled special license plate shall be securely attached to the rear of the vehicle at all times.

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Any person who is eligible for a physically disabled license plate and whose vehicle has had modifications because of the physical disability of the owner or of a family member within the second degree of consanguinity of the owner, may register the vehicle for a flat fee of Twenty-five Dollars (\$25.00). This fee shall be in lieu of all other registration fees provided by the Oklahoma Vehicle License and Registration Act;

4. Indian Tribal License Plates - such plates shall be designed for any vehicle of a native American Indian Tribal Association

exempted in Sections 201 through 204 of Public Law 97-473 and used by the tribal association exclusively for the furtherance of its tribal functions.

The registration fee shall be Eight Dollars (\$8.00) and shall be in addition to all other registration fees provided by law, except the registration fees levied by Section 1132 of this title;

- 5. Hearing Impaired License Plates such plates shall be designed for persons who are hearing impaired. Such persons may apply for a hearing-impaired license plate for each vehicle with a rated carrying capacity of one (1) ton or less upon the presentment of an application on a form furnished by the Tax Commission and certified by a physician holding a valid license to practice pursuant to the licensing provisions of Title 59 of the Oklahoma Statutes, attesting that the person is hearing impaired. The license plate shall be designed so that such persons may be readily identified as being hearing impaired. There shall be no additional fee for the plate, but all other registration fees provided by the Oklahoma Vehicle License and Registration Act shall apply;
- 6. Antique or Classic Vehicles License Plates such plates shall be designed and issued for any vehicle twenty-five (25) years of age or older, based upon the date of manufacture thereof and which travels on the highways of this state primarily incidental to historical or exhibition purposes only.

The registration fee shall be Eight Dollars (\$8.00) and shall be in addition to all other registration fees provided by law, except the registration fees levied by Section 1132 of this title. Any person registering an antique or classic vehicle may elect to have the vehicle registered for a ten-year period. The registration fee for the elected ten-year registration shall be Seventy-five Dollars (\$75.00). The motor license agent registering the antique or classic vehicle for a ten-year period shall receive one hundred percent (100%) of the fees the motor license agent would have otherwise received pursuant to subsection A of Section 1141.1 of this title if the antique or classic vehicle had been registered on an annual basis; and

7. Honorary Consul License Plates - such plates shall be designed to include the words "Honorary Consul" and issued to persons who are honorary consuls authorized by the United States to perform consular duties. Persons applying for such license plates must show proof of standing as an honorary consul. The fee for such plate shall be Eight Dollars (\$8.00) and shall be in addition to all other registration fees required by the Oklahoma Vehicle License and Registration Act. The owner of the vehicle that possesses such license plates shall return the special license plates to the Oklahoma Tax Commission if the owner disposes of the vehicle during the registration year or ceases to be authorized to perform consular duties.

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C. Special license plates provided by this section shall be
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    designed in such a manner as to identify the use or ownership of the
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    vehicle. Use of any vehicle possessing a special license plate
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    provided by this section for any purpose not specified herein shall
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    be grounds for revocation of the special license plate and
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    registration certificate.
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        D. The fees provided by this section shall be deposited in the
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    Oklahoma Tax Commission Reimbursement Fund.
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        SECTION 4. This act shall become effective November 1, 2021.
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