

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: March 29, 2021

BILL NUMBER: HB 2202 STATUS AND DATE OF BILL: Engrossed 03/01/2021

AUTHORS: House Wolfley Senate Dahm

TAX TYPE (S): Motor Vehicle SUBJECT: Other

PROPOSAL: Amendatory

The measure proposes to amend 47 O.S. § 1151 by allowing a person to operate a vehicle during a grace period of one (1) month following the date of which vehicle taxes are due the state without risk of penalty for late taxes during the grace period.

Currently, within thirty (30) calendar days¹ from the date of vehicle purchase or acquisition, vehicle registrants shall make application to title and register a newly acquired vehicle with the Tax Commission or motor license agent and pay excise and sales taxes and applicable title and registrations fees. Consequently, a person may operate a vehicle during the referenced thirty day period without the imposition of delinquent registration penalties. Delinquent registration penalty begins to apply on the thirty-first (31st) day following assignment of ownership. It is unclear from the proposed amendatory language whether the intent of the measure is to clarify current practice regarding delinquent registration penalties outlined in Section (C) of Section 1151, impose a grace period for the fines imposed in Section 1151(A) of Title 47 for violations of the provisions of paragraph (5) of subsection A of Section 1151 or extend the current thirty day period for purposes of imposition of delinquent tax penalties 47 O.S. § 1151(C) an additional thirty days.

EFFECTIVE DATE: November 1, 2021

REVENUE IMPACT:

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

FY 22: Unknown

FY 23: Unknown

Mar. 29, 2021
DATE

Rick Miller
DIVISION DIRECTOR

bjs

3/29/2021
DATE

Huan Gong
HUAN GONG, ECONOMIST

3/29/21
DATE

[Signature]
FOR THE COMMISSION

The 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.

¹ 47 O. S. 1132 (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 home, register the vehicle within (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..."