

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT SECOND REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: January 29, 2021

BILL NUMBER: SB 355 **STATUS AND DATE OF BILL:** Introduced 1/12/2021

AUTHORS: House n/a Senate Rosino

TAX TYPE (S): Vehicle Rental & Motor Vehicle Excise Tax **SUBJECT:** Administrative

PROPOSAL: New Law & Amendatory

Section 1 creates the "Peer-to-Peer Car Sharing Program Act".

Section 2 defines applicable terms including "peer-to-peer car sharing"¹, "peer-to-peer-car sharing program"², "peer-to-peer car sharing program agreement"³, "shared vehicle"⁴, "shared vehicle driver"⁵ and "shared vehicle owner"⁶

Section 26 does not allow a "shared vehicle" to be registered under the International Registration Plan under Section 1120.1 of Title 47.

Section 27 does not allow a "shared vehicle" to be purchased exempt from vehicle excise tax pursuant to the motor vehicle excise tax exemption afforded rental vehicles without a driver in accordance with Section 2105(10) of Title 68.

Section 28 proposes amendment to Section 2110 of Title 68 that clarifies that the 6% vehicle rental tax applies to peer-to-peer car sharing program agreements. The vehicle rental tax is to be collected at the time of payment of the peer-to-peer car sharing program agreement and shall be due and payable to the OTC by the business engaged in peer-to-peer car sharing program.

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 & FY 23: Unknown increase in vehicle rental tax revenues

Feb. 2, 2021
DATE

Rick Miller
DIVISION DIRECTOR

msm

2/4/2021
DATE

Huan Gong
HUAN GONG, ECONOMIST

2/4/21
DATE

JD
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.

¹ "Peer-to-peer car sharing means the authorized use of a vehicle by an individual other than the vehicle's owner through a peer-to-peer car sharing program.

² "Peer-to-peer-car sharing program" as a business platform that connects vehicle owners with drivers to enable the sharing of vehicles for financial consideration and a "peer-to-peer car sharing program will not be considered a "transportation network company" as defined in Section 1011 of Title 47 of the Oklahoma Statutes.

³ "Peer-to-peer car sharing program agreement" means the terms and conditions applicable to a shared vehicle owner and a shared vehicle driver that govern the use of a shared vehicle through a peer-to-peer car sharing program.

⁴ "Shared vehicle" means a vehicle that is available for sharing through a peer-to-peer car sharing program

⁵ "Shared vehicle driver" means an individual who has been authorized to drive the shared vehicle by the shared vehicle owner under a car sharing program agreement.

⁶ "Shared vehicle owner" means the registered owner, or a person or entity designated by the registered owner, or a vehicle made available for sharing to shared vehicle drivers through a peer-to-peer car sharing program.

ATTACHMENT TO REVENUE IMPACT –SB 355– [Introduced] – Prepared 1/29/2021

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Section 2 defines applicable terms including “peer to-peer car sharing”⁷, “peer-to-peer-car sharing program”⁸, “peer-to-peer car sharing program agreement”⁹, “shared vehicle”¹⁰, “shared vehicle driver”¹¹ and “shared vehicle owner”¹²

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It is estimated that adoption of the proposal will result in an unknown increase in vehicle rental tax revenues for FY 22 and for FY 23.

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