

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB2973</b>
<b>Version:</b>	<b>SAHB</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. West (Rick)</b>
<b>Date:</b>	<b>4/29/2024</b>
<b>Impact:</b>	<b>FY25: \$792,259.50</b>
	<b>FY26: \$1,188,389.26</b>

**Research Analysis**

Pending

Prepared By: House Research Staff

**Fiscal Analysis**

In its current form, HB2973 would add an exemption for the excise tax levied upon the transfer of legal ownership of a vehicle. The new exemption would apply to transfers made without consideration between a legal guardian and a child.

Analysis by Service Oklahoma:

**Fiscal Impact Report:** According to research done by the Pew Charitable Trusts, a national average of four percent (4%) of children in nonparental care were the subject of a minor guardianship action from 2017 through 2021. Assuming a 100% adoption rate of this new provision, it is estimated that there will be a four percent (4%) increase to family transfers with the passage of this provision. For FY2023, there were 34,079 family transfers on vehicles with an average excise amount of \$871.79. Accordingly, there would be an estimated annual reduction of \$1,188,389.26 to excise tax calculations.

HB2973 has a November 1, 2024 effective date. Accordingly, the impact for FY2025 is estimated at \$792,259.50 (\$1,188,389.26/12 x 8) followed by the full reduction for FY2026.

Prepared By: Zach Penrod

**Other Considerations**

None.