

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

HOUSE BILL 2967

By: West (Rick)

AS INTRODUCED

An Act relating to revenue and taxation; amending 68 O.S. 2021, Section 2103, as last amended by Section 23, Chapter 330, O.S.L. 2025 (68 O.S. Supp. 2025, Section 2103), which relates to vehicle excise tax on the transfer of vehicle ownership; modifying excluded transfers; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 2021, Section 2103, as last amended by Section 23, Chapter 330, O.S.L. 2025 (68 O.S. Supp. 2025, Section 2103), is amended to read as follows:

Section 2103. A. 1. Except as otherwise provided in Sections 2101 through 2108 of this title, there shall be levied an excise tax upon the transfer of legal ownership of any vehicle registered in this state and upon the use of any vehicle registered in this state and upon the use of any vehicle registered for the first time in this state. Except for persons that possess an agricultural

1 exemption pursuant to Section 1358.1 of this title, the excise tax  
2 shall be levied upon transfers of legal ownership of all-terrain  
3 vehicles and motorcycles used exclusively off roads and highways  
4 which occur on or after July 1, 2005, and upon transfers of legal  
5 ownership of utility vehicles used exclusively off roads and  
6 highways which occur on or after July 1, 2008. The excise tax for  
7 new and used all-terrain vehicles, utility vehicles and motorcycles  
8 used exclusively off roads and highways shall be levied at four and  
9 one-half percent (4 1/2%) of the actual sales price of each new and  
10 used all-terrain vehicle and motorcycle used exclusively off roads  
11 and highways before any discounts or credits are given for a trade-  
12 in. Provided, the minimum excise tax assessment for such all-  
13 terrain vehicles, utility vehicles and motorcycles used exclusively  
14 off roads and highways shall be Five Dollars (\$5.00). The excise  
15 tax for new vehicles shall be levied at three and one-fourth percent  
16 (3 1/4%) of the value of each new vehicle. The excise tax for used  
17 vehicles shall be as follows:

- 18           a.     from October 1, 2000, until June 30, 2001, Twenty  
19                 Dollars (\$20.00) on the first One Thousand Dollars  
20                 (\$1,000.00) or less of value of such vehicle, and  
21                 three and one-fourth percent (3 1/4%) of the remaining  
22                 value of such vehicle,
- 23           b.     for the year beginning July 1, 2001, and ending June  
24                 30, 2002, Twenty Dollars (\$20.00) on the first One

1           Thousand Two Hundred Fifty Dollars (\$1,250.00) or less  
2           of value of such vehicle, and three and one-fourth  
3           percent (3 1/4%) of the remaining value of such  
4           vehicle, and

- 5           c.   for the year beginning July 1, 2002, and all  
6                subsequent years, Twenty Dollars (\$20.00) on the first  
7                One Thousand Five Hundred Dollars (\$1,500.00) or less  
8                of value of such vehicle, and three and one-fourth  
9                percent (3 1/4%) of the remaining value of such  
10              vehicle.

11           2.   There shall be levied an excise tax of Ten Dollars (\$10.00)  
12   for any:

- 13           a.   truck or truck-tractor registered under the provisions  
14                of subsection A of Section 1133 of Title 47 of the  
15                Oklahoma Statutes, for a laden weight or combined  
16                laden weight of fifty-five thousand (55,000) pounds or  
17                more,  
18           b.   trailer or semitrailer registered under subsection C  
19                of Section 1133 of Title 47 of the Oklahoma Statutes,  
20                which is primarily designed to transport cargo over  
21                the highways of this state and generally recognized as  
22                such, and

1           c.     frac tank, as defined by Section 54 of Title 17 of the  
2                 Oklahoma Statutes, and registered under subsection C  
3                 of Section 1133 of Title 47 of the Oklahoma Statutes.

4         Except for frac tanks, the excise tax levied pursuant to this  
5 paragraph shall not apply to special mobilized machinery, trailers,  
6 or semitrailers manufactured, modified or remanufactured for the  
7 purpose of providing services other than transporting cargo over the  
8 highways of this state. The excise tax levied pursuant to this  
9 paragraph shall also not apply to pickup trucks, vans, or sport  
10 utility vehicles.

11         3. The tax levied pursuant to this section shall be due at the  
12 time of the transfer of legal ownership or first registration in  
13 this state of such vehicle; provided, the tax shall not be due at  
14 the time of the issuance of a certificate of title for an all-  
15 terrain vehicle, utility vehicle or motorcycle used exclusively off  
16 roads and highways which is not required to be registered but which  
17 the owner chooses to register pursuant to the provisions of  
18 subsection B of Section 1115.3 of Title 47 of the Oklahoma Statutes,  
19 and shall be collected by Service Oklahoma or an appointed licensed  
20 operator, at the time of the issuance of a certificate of title for  
21 any such vehicle. In the event an excise tax is collected on the  
22 transfer of legal ownership or use of the vehicle during any  
23 calendar year, then an additional excise tax must be collected upon  
24 all subsequent transfers of legal ownership. In computing the motor

1 vehicle excise tax, the amount collected shall be rounded to the  
2 nearest dollar. The excise tax levied by this section shall be  
3 delinquent from and after the thirtieth day after the legal  
4 ownership or possession of any vehicle is obtained. Any person  
5 failing or refusing to pay the tax as herein provided on or before  
6 date of delinquency shall pay in addition to the tax a penalty of  
7 One Dollar (\$1.00) per day for each day of delinquency, but such  
8 penalty shall in no event exceed the amount of the tax. Of each  
9 dollar penalty collected pursuant to this subsection:

10 a. fifty cents (\$0.50) shall be apportioned as provided  
11 in Section 1104 of this title, and

12 b. fifty cents (\$0.50) shall be deposited in the General  
13 Revenue Fund for the fiscal year beginning on July 1,  
14 2011, and for all subsequent fiscal years, shall be  
15 deposited in the State Highway Construction and  
16 Maintenance Fund.

17 B. The excise tax levied in subsection A of this section and  
18 assessed on all commercial vehicles registered pursuant to Section  
19 1120 of Title 47 of the Oklahoma Statutes and trailers and  
20 semitrailers registered under subsection C of Section 1133 of Title  
21 47 of the Oklahoma Statutes to transport cargo over the highways of  
22 this state shall be in lieu of all sales and use taxes levied  
23 pursuant to the Sales Tax Code or the Use Tax Code. The transfer of  
24 legal ownership of any motor vehicle as used in this section and the

1 Sales Tax Code and the Use Tax Code shall include the lease, lease  
2 purchase or lease finance agreement involving any truck in excess of  
3 eight thousand (8,000) pounds combined laden weight or any truck-  
4 tractor provided the vehicle is registered in Oklahoma pursuant to  
5 Section 1120 of Title 47 of the Oklahoma Statutes or any frac tank,  
6 trailer, semitrailer or open commercial vehicle registered pursuant  
7 to Section 1133 of Title 47 of the Oklahoma Statutes. The excise  
8 tax levied pursuant to this section shall not be subsequently  
9 collected at the end of the lease period if the lessee acquires  
10 complete legal title of the vehicle.

11 C. The provisions of this section shall not apply to transfers  
12 made without consideration between:

- 13 1. Husband and wife;
- 14 2. Parent and child; ~~or~~
- 15 3. Legal guardian and child;
- 16 4. Grandparent and grandchild; or
- 17 5. An individual and an express trust which that individual or  
18 the spouse, child ~~or~~, grandchild, parent, legal guardian, or  
19 grandparent of that individual has a right to revoke.

20 D. 1. There shall be a credit allowed with respect to the  
21 excise tax paid for a new vehicle which is a replacement for:

- 22 a. a new original vehicle which is stolen from the  
23 purchaser/registrant within ninety (90) days of the  
24 date of purchase of the original vehicle as certified

1 by a police report or other documentation as required  
2 by Service Oklahoma, or

3 b. a defective new original vehicle returned by the  
4 purchaser/registrant to the seller within six (6)  
5 months of the date of purchase of the defective new  
6 original vehicle as certified by the manufacturer.

7 2. The credit allowed pursuant to paragraph 1 of this  
8 subsection shall be in the amount of the excise tax which was paid  
9 for the new original vehicle and shall be applied to the excise tax  
10 due on the replacement vehicle. In no event shall the credit be  
11 refunded.

12 E. Despite any other definitions of the terms "new vehicle" and  
13 "used vehicle", to the contrary, contained in any other law, the  
14 term "new vehicle" as used in this section shall also include any  
15 vehicle of the latest manufactured model which is owned or acquired  
16 by a licensed used motor vehicle dealer which has not previously  
17 been registered in this state and upon which the motor vehicle  
18 excise tax as set forth in this section has not been paid. However,  
19 upon the sale or transfer by a licensed used motor vehicle dealer  
20 located in this state of any such vehicle which is the latest  
21 manufactured model, the vehicle shall be considered a used vehicle  
22 for purposes of determining excise tax.

23 F. The provisions of this section shall not apply to state  
24 government entities.

SECTION 2. This act shall become effective November 1, 2026.

60-2-14205 AO 12/01/25