

BILL SUMMARY
2nd Session of the 60th Legislature

Bill No.:	HB3237
Version:	INT
Request Number:	14040
Author:	Rep. Rosecrants
Date:	2/17/2026
Impact:	FY27: \$6,600 decrease in revenue
	FY28: \$9,900 decrease in revenue
	One-Time administrative cost of \$15,000

Research Analysis

HB3237, as introduced, extends the motor vehicle excise tax exemption to surviving spouses of Gold Star veterans. The exemption may be claimed for only one vehicle during any consecutive three-year period, unless the vehicle is a replacement for one that was destroyed and declared a total loss by the insurer.

Prepared By: Quyen Do

Fiscal Analysis

As introduced, HB3237 creates an exemption from the motor vehicle excise tax for surviving spouses of Gold Star veterans.

Officials from Service Oklahoma have provided the following analysis:

Effective Date: November 1, 2026

Fiscal Impact: FY27: Approximately \$6,600 Decrease in Motor Vehicle Excise Tax Collections
FY28: Approximately \$9,900 Decrease in Motor Vehicle Excise Tax Collections

Administrative Costs: ~\$15,000 one-time

Fiscal Impact Report: This measure expands exemptions from the motor vehicle excise tax to include surviving spouses of veterans who have obtained Gold Star status. The exemption may be claimed for one vehicle in a consecutive three-year period.

According to the FY 2025 Annual Vehicle Registration & Driver License Report, Service Oklahoma recorded 34 vehicle registrations associated with Gold Star surviving spouses during the fiscal year.

The same report reflects an average motor vehicle excise tax of \$871.79 per vehicle. Because the exemption may only be claimed once every three years, the estimated annual utilization is assumed to be one-third of the observed FY25 registrations:

- Estimated annual eligible transactions: $34 \div 3 \approx 11.3$ vehicles per year
- Estimated full-year revenue impact:
- $(34 \div 3) \times \$871.79 \approx \$9,882.94$, or approximately \$9,900 annually
- Because the bill's effective date is November 1, 2026, the impact in FY27 would apply to approximately eight months of the fiscal year:
- $\$9,900 \times (8 \div 12) \approx \$6,600$

Accordingly, the estimated fiscal impact is approximately \$6,600 in FY27 and \$9,900 in FY28 and subsequent fiscal years.

Implementation of this exemption would require approximately two to three weeks of system programming and development. Service Oklahoma estimates the one-time administrative cost associated with these changes to be approximately \$15,000.

Prepared By: Zach Penrod, House Fiscal Staff

Other Considerations

None.