ENROLLED HOUSE BILL 2189

ENACTED BY THE SECOND REGULAR SESSION OF THE

47TH LEGISLATURE OF THE STATE OF OKLAHOMA

NUMBERED BY THE SECRETARY OF STATE

STATE QUESTION NUMBER 691

LEGISLATIVE REFERENDUM NUMBER 319

RECEIVED: MAY 26, 2000

An Act

ENROLLED HOUSE
BILL NO. 2189

By: Benson, Kirby, Deutschendorf, Blackburn, Collins and Lindley of the House

and

Taylor, Fair, Wilcoxson, Williams and Henry of the Senate

An Act relating to motor vehicle fees and taxes; ordering a legislative referendum pursuant to the Oklahoma Constitution; amending 47 O.S. 1991, Section 1104, as last amended by Section 1, Chapter 294, O.S.L. 1997 (47 O.S. Supp. 1999, Section 1104), which relates to apportionment of motor vehicle fees, taxes, and penalties; deleting obsolete language; modifying apportionment of certain fees, taxes, and penalties; deleting certain apportionment if funds are insufficient; authorizing certain monies to be deducted from General Revenue Fund; requiring that certain monies apportioned not be less than monies apportioned from previous year; amending 47 O.S. 1991, Section 1105, as last amended by Section 3 of Enrolled Senate Bill No. 1557 of the 2nd Session of the 47th Oklahoma Legislature, which relates to definitions and certificates of title for motor vehicles; modifying certain information to be contained on application for certificate of title; amending 47 O.S. 1991, Section 1112, which relates to application for registration of motor vehicles; modifying information contained in application for registration; amending 47 O.S. 1991, Section 1132, as amended by Section 1, Chapter 10, O.S.L. 1995 (47 O.S. Supp. 1999, Section 1132), which relates to motor vehicle registration fees; modifying and deleting certain vehicle registration fees; specifying that certain registration fee shall be in lieu of all other taxes; setting forth certain transfer fee; amending 47 O.S. 1991, Section 1141.1, as last amended by Section 1, Chapter 95, O.S.L. 1997 (47 O.S. Supp. 1999, Section 1141.1), which relates to retention of taxes and fees by motor license agents; modifying certain amount retained by motor license agents; modifying amount of excise tax to be collected and retained; authorizing Legislature to review certain amount retained by motor license agents; deleting certain amounts to be retained by motor license agents; amending 47 O.S. 1991, Section 1149, which relates to powers of the Oklahoma Tax Commission; modifying reference to certain price of vehicles; deleting obsolete language; amending 68 O.S. 1991, Section 2103, as amended by Section 21, Chapter 294, O.S.L. 1997 (68 O.S. Supp. 1999, Section 2103), which relates to motor vehicle excise tax; modifying excise tax for used vehicles; stating that

certain fees collected to be rounded to nearest dollar; defining term; amending 68 O.S. 1991, Section 2104, as amended by Section 2, Chapter 300, O.S.L. 1992 (68 O.S. Supp. 1999, Section 2104), which relates to valuation of motor vehicles for excise tax purposes; modifying the value of motor vehicles for purposes of excise tax; deleting references to certain optional equipment or accessories; requiring value of motor vehicles to be the actual sales price; requiring value of motor vehicles to be within certain percentage of certain value; deleting requirement to show certain factory delivered price; deleting reference to value of certain vehicles subject to certain federal tax; deleting provisions relating to value of vehicles at the port of entry; deleting definitions; deleting certain value of used vehicles; deleting adjustments to value of vehicles for purposes of computing excise tax; requiring receipt of bill of sale or similar form by Oklahoma Tax Commission or motor license agent; repealing 68 O.S. 1991, Section 2104.1, which relates to valuation of recreational vehicles; providing an effective date; providing a ballot title; and directing filing

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

SECTION 1. Pursuant to Section 3 of Article V of the Oklahoma Constitution, there is hereby ordered the following legislative referendum which shall be filed with the Secretary of State and addressed to the Governor of the state, who shall submit the same to the people for their approval or rejection at the Primary Election to be held on August 22, 2000.

SECTION 2. AMENDATORY 47 O.S. 1991, Section 1104, as last amended by Section 1, Chapter 294, O.S.L. 1997 (47 O.S. Supp. 1999, Section 1104), is amended to read as follows:

Section 1104. A. Unless otherwise provided by law, all fees, taxes and penalties collected or received pursuant to the Oklahoma Vehicle License and Registration Act or Section 1-101 et seq. of this title ~~and the unapportioned monies in the Motor Vehicle Escrow Account after the July 1985 apportionment~~ shall be apportioned and distributed monthly by the Oklahoma Tax Commission ~~as follows:~~ <u>in accordance with this section.</u>

<u>B.</u> 1. ~~For the fiscal year beginning July 1, 1997, and ending June 30, 1998:~~

~~a. the first One Hundred Forty-one Thousand Five Hundred Dollars ($141,500.00) collected shall be remitted to the State Treasurer to be credited to the Tax Commission Reimbursement Fund created in Section 113 of Title 68 of the Oklahoma Statutes, and~~

~~b. the next One Hundred Eighty-three Thousand Five Hundred Dollars ($183,500.00) collected shall be~~

~~remitted to the State Treasurer to be credited to the General Revenue Fund;~~

~~2. Thirty-five percent (35%)~~ The following percentages of ~~said~~ the monies referred to in subsection A of this section shall be apportioned to the various school districts ~~as follows~~ in accordance with paragraph 2 of this subsection:

a. from October 1, 2000, until June 30, 2001, thirty-five and forty-six one-hundredths percent (35.46%),

b. for the year beginning July 1, 2001, and ending June 30, 2002, thirty-five and ninety-one one-hundredths percent (35.91%), and

c. for the year beginning July 1, 2002, and all subsequent years, thirty-six and twenty one-hundredths percent (36.20%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be apportioned to the various school districts as follows:

a. except as otherwise provided in this subparagraph, each district shall receive the same amount of funds as such district received from the taxes and fees provided in this title in the corresponding month of the preceding year. Any district eligible for funds pursuant to the provisions of this section that was not eligible the preceding year shall receive an amount equal to the average daily attendance of the applicable year multiplied by the average daily attendance apportionment within such county for each appropriate month. For fiscal year 1995 and thereafter, any district which received less than twenty-five percent (25%) of the average apportionment of ~~said~~ the monies made to school districts in this state based on average daily attendance in fiscal year 1995 shall receive an amount equal to the average daily attendance in the 1994-1995 school year multiplied by the average daily attendance apportionment within the county in which the district is located for each appropriate month, and

b. any funds remaining unallocated following the allocation provided in subparagraph a of this paragraph shall be apportioned to the various school districts so that each district shall first receive the cumulative total of the monthly apportionments for which it is otherwise eligible under subparagraph a of this paragraph and then an amount based upon the proportion that each district's average daily attendance bears to the total average daily attendance of those districts entitled to receive funds pursuant to this section as certified by the State Department of Education~~, and~~

~~c. if, for any month, the funds available are insufficient to provide the total allocation required in subparagraph a of this paragraph, each district~~

~~shall receive a proportionate share of the funds available based upon the proportion of the total revenues that such district received in the corresponding month of the preceding year~~.

Each district's allocation of funds shall be remitted to the county treasurer of the county wherein the administrative headquarters of the district are located.

No district shall be eligible for the funds herein provided unless ~~said~~ the district makes an ad valorem tax levy of fifteen (15) mills and maintains nine (9) years of instruction and pursuant to the rules of the State Board of Education, ~~are~~ is authorized to maintain ten (10) years of instruction~~,~~.

~~3. Forty-six and sixty-seven one-hundredths percent (46.67%)~~

C. 1. The following percentages of ~~said~~ the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the General Revenue Fund of the State Treasury~~,~~:

a. from October 1, 2000, until June 30, 2001, forty-five and ninety-seven one-hundredths percent (45.97%),

b. for the year beginning July 1, 2001, and ending June 30, 2002, forty-five and twenty-nine one-hundredths percent (45.29%), and

c. for the year beginning July 1, 2002, and all subsequent years, forty-four and eighty-four one-hundredths percent (44.84%).

2. In the event that additional monies are necessary pursuant to subsection M of this section, such additional monies shall be deducted from the monies apportioned to the General Revenue Fund.

~~4. Three-tenths of one percent (3/10 of 1%)~~

D. The following percentages of ~~said~~ the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the State Transportation Fund~~,~~:

1. From October 1, 2000, until June 30, 2001, thirty one-hundredths percent (0.30%); and

2. For the year beginning July 1, 2001, and all subsequent years, thirty-one one-hundredths percent (0.31%).

~~5. Seven percent (7%)~~

E. 1. The following percentages of ~~said~~ the monies referred to in subsection A of this section shall be apportioned to the various counties as ~~follows~~ set forth in paragraph 2 of this section:

~~Forty~~

a. from October 1, 2000, until June 30, 2001, seven and nine one-hundredths percent (7.09%),

b. for the year beginning July 1, 2001, and ending June 30, 2002, seven and eighteen one-hundredths percent (7.18%), and

c. for the year beginning July 1, 2002, and all subsequent years, seven and twenty-four one-hundredths percent (7.24%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be apportioned as follows: forty percent (40%) of such sum shall be distributed to the various counties in that proportion which the county road mileage of each county bears to the entire state road mileage as certified by the Transportation Commission and the remaining sixty percent (60%) of such sum shall be distributed to the various counties on the basis which the population and area of each county bears to the total population and area of the state. The population shall be as shown by the last Federal Census or the most recent annual estimate provided by the United States Bureau of the Census. ~~Said~~ The funds shall be used for the purpose of constructing and maintaining county highways, provided, however, the county treasurer may deposit so much of ~~said~~ the funds in the sinking fund as may be necessary for the retirement of interest and annual accrual of indebtedness created by the issuance of county or township bonds for road purposes. Such deposits to the sinking fund shall not exceed forty percent (40%) of the funds allocated to a county pursuant to this paragraph~~;~~.

~~6. Two and one-half percent (2.5%)~~

F. 1. The following percentages of ~~said~~ the monies referred to in subsection A of this section shall be remitted to the county treasurers of the respective counties and by them deposited in a separate special revenue fund to be used by the county commissioners in accordance with paragraph 2 of this subsection:

a. from October 1, 2000, until June 30, 2001, two and fifty-three one-hundredths percent (2.53%),

b. for the year beginning July 1, 2001, and ending June 30, 2002, two and fifty-six one-hundredths percent (2.56%), and

c. for the year beginning July 1, 2002, and all subsequent years, two and fifty-nine one-hundredths percent (2.59%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be used for the primary purpose of matching federal funds for the construction of federal aid projects on county roads, or constructing and maintaining county or township highways and permanent bridges of such counties. The distribution of monies apportioned by this paragraph shall be made upon the basis of the current formula based upon road mileage, area and population as related to county road improvement and maintenance costs. Provided, however, the Department of Transportation may update the formula factors from time to time as necessary to account for changing conditions.

~~Any unencumbered monies remaining in the County Road Fund on the effective date of this act shall be distributed to the various counties within thirty (30) days thereafter; provided, that the Department of Transportation is authorized to withhold from such distribution an amount not to exceed ten percent (10%) of the counties' share of the estimated construction cost of any uncompleted federally aided project utilizing county road funds for the local match. Such funds shall be used to cover any approved overruns on such projects which remain uncompleted on the effective date of this act. Upon completion and acceptance of said projects, any monies due the counties will be returned to them by the Department of Transportation within thirty (30) days of completion of final audit. In the event additional county monies are required to complete such projects, the Department of Transportation shall submit an invoice for payment to the counties and the affected counties shall pay such additional amount to the Department of Transportation. All claims against nonfederally aided project resolutions accepted by the Department of Transportation prior to July 1, 1989, must be presented to the Department of Transportation for payment prior to September 1, 1989. Any County Road Fund monies encumbered for nonfederally aided projects which remain under control of the Department of Transportation on September 30, 1989, shall be returned to the county which encumbered said funds;~~

~~7. Three and one-half percent (3.5%)~~

G. 1. The following percentages of ~~said~~ the monies referred to in subsection A of this section shall be transmitted by the Tax Commission to the various counties as set forth in paragraph 2 of this subsection:

a. from October 1, 2000, until June 30, 2001, three and fifty-five one-hundredths percent (3.55%),

b. for the year beginning July 1, 2001, and ending June 30, 2002, three and fifty-nine one-hundredths percent (3.59%), and

c. for the year beginning July 1, 2002, and all subsequent years, three and sixty-two one-hundredths percent (3.62%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be transmitted to the various counties on the basis of a formula to be developed by the Department of Transportation. Such formula shall be similar to that currently used for the distribution of County Bridge Program Funds, but also taking into consideration the effect of terrain and traffic volume as related to county road improvement and maintenance costs. Provided, however, the Department of Transportation may update the formula factors from time to time as necessary to account for changing conditions. ~~Said~~ The funds shall be transmitted to the various county treasurers to be deposited in the county highway fund of their respective counties~~;~~.

~~8. Eight-tenths of one percent (8/10 of 1%)~~

H. 1. The following percentages of ~~said~~ the monies referred to in subsection A of this section shall be apportioned to the various counties as set forth in paragraph 2 of this subsection:

a. from October 1, 2000, until June 30, 2001, eighty-one one-hundredths percent (0.81%),

b. for the year beginning July 1, 2001, and ending June 30, 2002, eighty-two one-hundredths percent (0.82%), and

c. for the year beginning July 1, 2002, and all subsequent years, eighty-three one-hundredths percent (0.83%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be apportioned to the various counties as follows:

a. each county shall receive the same amount of funds as such county received from the taxes and fees provided for in the 1985 fiscal year, and

b. any funds remaining unallocated following the allocation provided in subparagraph a of this paragraph shall be apportioned to the various counties based upon the proportion that each county's population bears to the total state population~~, and~~

~~c. if the funds available are insufficient to provide the total allocation required in subparagraph a of this paragraph, each county shall receive a proportionate share of the funds available based upon the proportion of the total revenues that each such county received in the 1985 fiscal year~~.

Each county's allocation of funds shall be remitted to the various county treasurers to be deposited in the general fund of the county and used for the support of county government~~;~~.

~~9. Three percent (3%)~~

I. 1. The following percentages of ~~said~~ the monies referred to in subsection A of this section shall be apportioned to the various cities and incorporated towns as set forth in this paragraph 2 of this subsection:

a. from October 1, 2000, until June 30, 2001, three and four one-hundredths percent (3.04%),

b. for the year beginning July 1, 2001, and ending June 30, 2002, three and eight one-hundredths percent (3.08%), and

c. for the year beginning July 1, 2002, and all subsequent years, three and ten one-hundredths percent (3.10%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be apportioned to the various cities and incorporated towns based upon the proportion that each city or incorporated town's population bears to the total population of all cities and incorporated towns in the state. Such

funds shall be remitted to the various county treasurers for allocation to the various cities and incorporated towns. All such funds shall be used for the construction, maintenance, repair, improvement and lighting of streets and alleys. Provided, however, the governing board of any city or town may, with the approval of the county excise board, transfer any surplus funds to the general revenue fund of such city or town whenever an emergency requires such a transfer~~;~~.

~~10. One and two tenths percent (1.2%)~~

J. The following percentages of ~~said~~ the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the Oklahoma Law Enforcement Retirement Fund~~; and~~:

1. From October 1, 2000, until June 30, 2001, one and twenty-two one-hundredths percent (1.22%);

2. For the year beginning July 1, 2001, and ending June 30, 2002, one and twenty-three one-hundredths percent (1.23%); and

3. For the year beginning July 1, 2002, and all subsequent years, one and twenty-four one-hundredths percent (1.24%).

~~11.~~ K. Three one-hundredths of one percent (3/100 of 1%) of ~~said~~ the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the Wildlife Conservation Fund. Seventy-five percent (75%) of ~~said~~ the funds shall be used for fish habitat restoration and twenty-five percent (25%) of ~~said~~ the funds shall be used in the fish hatchery system for fish production.

~~B.~~ L. Monies allocated to counties by this section may be estimated by the county excise board in the budget for the county as anticipated revenue to the extent of ninety percent (90%) of the previous year's income from such source, provided, not more than fifteen percent (15%) can be encumbered during any month.

M. In no event shall the monies apportioned pursuant to subsections B, E, F, G, H and I of this section be less than the monies apportioned in the previous fiscal year.

SECTION 3. AMENDATORY 47 O.S. 1991, Section 1105, as last amended by Section 3 of Enrolled Senate Bill No. 1557 of the 2nd Session of the 47th Oklahoma Legislature, is amended to read as follows:

Section 1105. A. As used in the Oklahoma Vehicle License and Registration Act, Section 1101 et seq. of this title:

1. "Salvage vehicle" means any vehicle which is within the last ten (10) model years and which has been damaged by collision or other occurrence to the extent that the cost of repairing the vehicle for safe operation on the highway exceeds sixty percent (60%) of its fair market value, as defined by Section 1111 of this title, immediately prior to the damage. For purposes of this section, actual repair costs shall only include labor and parts for actual damage to the suspension, motor, transmission, frame or unibody and designated structural components;

2. "Rebuilt vehicle" means any salvage vehicle which has been rebuilt and inspected for the purpose of registration and title;

3. "Flood-damaged vehicle" means a salvage or rebuilt vehicle which was damaged by flooding or a vehicle which was submerged at a level to or above the dashboard of the vehicle and on which an amount of loss was paid by the insurer;

4. "Recovered-theft vehicle" means a salvage or rebuilt vehicle which was recovered from a theft; and

5. "Junked vehicle" means any vehicle which is incapable of operation or use on the highway, has no resale value except as a source of parts or scrap and has an eighty percent (80%) loss in fair market value.

B. The owner of every vehicle in this state shall possess a certificate of title as proof of ownership of such vehicle, except those vehicles registered pursuant to Section 1120 of this title and trailers registered pursuant to Section 1133 of this title, previously titled in another state and engaged in interstate commerce, and except as provided in subsection M of this section. There shall be six types of certificates of title:

1. Original title for any motor vehicle which is not a remanufactured, salvage, rebuilt or junked vehicle;

2. Salvage title for any motor vehicle which is a salvage vehicle or is specified as a salvage vehicle or the equivalent thereof on a certificate of title from another state;

3. Rebuilt title for any motor vehicle which is a rebuilt vehicle;

4. Junked title for any motor vehicle which is a junked vehicle or is specified as a junked vehicle or the equivalent thereof on a certificate of title from another state;

5. Classic title for any motor vehicle, except a junked vehicle, which is twenty-five (25) model years or older; and

6. Remanufactured title for any vehicle which is a remanufactured vehicle.

Application for a certificate of title, whether the initial certificate of title or a duplicate, may be made to the Oklahoma Tax Commission or any motor license agent. When application is made with a motor license agent, the application information shall be transmitted either electronically or by mail to the Tax Commission by the motor license agent. If the application information is transmitted electronically, the motor license agent shall forward the required application along with evidence of ownership, where required, by mail. Where the transmission of application information cannot be performed electronically, the Tax Commission is authorized to provide postage paid envelopes to motor license agents for the purpose of mailing the application along with evidence of ownership, where required. The Tax Commission shall upon receipt of proper application information issue an Oklahoma certificate of title. The certificates may be mailed to the

applicant. Upon issuance of a certificate of title, the Tax Commission shall provide the appropriate motor license agent with confirmation of such issuance.

C. 1. The application for certificate of title shall be upon a blank form furnished by the Tax Commission, containing:

a. a full description of the vehicle,

b. the manufacturer's serial or other identification number,

c. ~~the manufacturer's factory delivered price and total delivered price,~~

~~d.~~ the motor number and the date on which first sold by the manufacturer or dealer to the owner,

~~e.~~ d. any distinguishing marks,

~~f.~~ e. a statement of the applicant's source of title,

~~g.~~ f. any security interest upon the vehicle, and

~~h.~~ g. such other information as the Commission may require.

2. The application for a certificate of title for a vehicle which is within the last seven (7) model years shall require a declaration as to whether the vehicle has been damaged by collision or other occurrence and whether the vehicle has been recovered from theft and the extent of the damage to the vehicle. The declaration shall be made by the owner of a vehicle if:

a. the vehicle has been damaged or stolen,

b. the owner did or did not receive any payment for the loss from an insurer, or

c. the vehicle is titled or registered in a state that does not classify the vehicle or brand the title because of damage to or loss of the vehicle similar to the classifications or brands utilized by this state.

The declaration shall be based upon the best information and knowledge of the owner and shall be in addition to the requirements specified in paragraph 1 of this subsection. The ~~Oklahoma~~ Tax Commission shall not issue a certificate of title for a vehicle which is subject to the provisions of this paragraph without the required declaration, completed and signed by the owner of the vehicle. Upon receipt of an application without the properly completed declaration, the ~~Oklahoma~~ Tax Commission shall return the application to the applicant with notice that the title may not be issued without the required declaration. Nothing in this paragraph shall prohibit the ~~Oklahoma~~ Tax Commission from recognizing the type of or brand on a title or other ownership document issued by another state or the inspection conducted in another state and issuing the appropriate certificate of title for the vehicle.

3. The certificate of title shall have the following security features:

a. intaglio printing or security thread, with or without watermark,

b. latent images,

c. fluorescent inks,

d. micro print,

e. void background, and

f. color coding.

4. Each title issued pursuant to the provisions of the Oklahoma Vehicle License and Registration Act shall be color coded as determined by the ~~Oklahoma~~ Tax Commission.

5. The certificate of title shall be of such size and design and color as the Tax Commission may direct pursuant to the provisions of this section. The title shall be on colored paper or other material as designated by the Tax Commission and be of such intensity or hue as will allow easy identification as to whether the title is an original title, a salvage title, a rebuilt title, remanufactured title, or a junked title. The type of title shall be identified on the front of the certificate of title. The original title, rebuilt title, remanufactured title, or classic title shall be identified by the word "Original", "Rebuilt", "Remanufactured" or "Classic" printed in the upper right quadrant of the certificate of title, in the space which is currently captioned "type of title".

D. 1. To obtain an original certificate of title for a vehicle that is being registered for the first time in this state which has not been previously registered in any other state, the applicant shall be required to deliver, as evidence of ownership, a manufacturer's certificate of origin properly assigned by the manufacturer, distributor, or dealer licensed in this or any other state shown thereon to be the last transferee to the applicant upon a form to be prescribed and approved by the Tax Commission. A manufacturer's certificate of origin shall contain:

a. the manufacturer's serial or other identification number,

b. date on which first sold by the manufacturer to the dealer,

c. any distinguishing marks including model and the year same was made,

d. a statement of any security interests upon ~~said~~ the vehicle, and

e. such other information as the Tax Commission may require.

2. The manufacturer's certificate of origin shall have the following security features:

a. intaglio printing or security thread, with or without watermark,

b. latent images,

c. fluorescent inks,

d. micro print, and

e. void background.

E. In the absence of a dealer's or manufacturer's number, the Tax Commission may assign such identifying number to the vehicle, which shall be permanently stamped, burned or pressed or attached into the vehicle, and a certificate of title shall be delivered to the applicant upon payment of all fees and taxes, and the remaining copies shall be permanently filed and indexed by the Tax Commission. The Tax Commission shall assign an identifying number to any rebuilt vehicle if the vehicle identification number displayed on the rebuilt vehicle does not accurately describe the vehicle as rebuilt. The motor license agent, at the time of inspection of the rebuilt vehicle pursuant to Section 1111 of this title, shall identify the make, model, and year for the body to accurately describe the rebuilt vehicle. At the time of the inspection, an appropriate identifying number shall be permanently stamped, burned, pressed, or attached on the rebuilt vehicle. The assigned identifying number shall be recorded on the certificate of title for the rebuilt vehicle. The dealer's or manufacturer's vehicle identification number on the rebuilt vehicle shall be preserved in the computer files of the ~~Oklahoma~~ Tax Commission for at least five (5) years.

F. When registering for the first time in this state a vehicle which was not originally manufactured for sale in the United States, to obtain a certificate of title, the Tax Commission shall require the applicant to deliver:

1. As evidence of ownership, if the vehicle has not previously been titled in the United States, the documents constituting valid proof of ownership in the country in which the vehicle was originally purchased, together with a notarized translation of any such documents; and

2. As evidence of compliance with federal law, copies of the bond release letters for the vehicle issued by the United States Environmental Protection Agency and the United States Department of Transportation, together with a receipt issued by the Internal Revenue Service indicating that the applicable federal gas guzzler tax has been paid.

The ~~Oklahoma~~ Tax Commission shall not issue a certificate of title for a vehicle which is subject to the provisions of this paragraph without the required documentation from agencies of the United States and evidence of ownership. Upon receipt of an application without the required documentation, the ~~Oklahoma~~ Tax Commission shall return the application to the applicant with notice that the certificate of title may not be issued without the required documentation. Nothing in this paragraph shall prohibit the ~~Oklahoma~~ Tax Commission from issuing certificates of title for antique or classic vehicles not driven upon the public streets, roads, or highways.

G. When registering in this state a vehicle which was titled in another state and which title contains the name of a secured party on the face of the other state certificate of title, or such state certificate is being held by the secured party in that state or any other state, the Tax Commission or the motor license agent shall complete a lien entry form as prescribed by the Tax Commission. The owner of such vehicle shall file an affidavit with the Tax Commission or the motor license agent stating that title to the vehicle is being held by a secured party has not been issued pursuant to the laws of the state where titled, and that there is an existing lien or encumbrance on the vehicle. The current name and address of the secured party or lienholder shall also be stated in the affidavit. The form of the affidavit shall be prescribed by the ~~Oklahoma~~ Tax Commission and contain any other information deemed necessary by the Tax Commission. A statement of the lien or encumbrance shall be included on the Oklahoma certificate of title and the lien or encumbrance shall be deemed continuously perfected as though it had been perfected pursuant to Section 1110 of this title. For completing the lien entry form and recording the security interest on the certificate of title, the Tax Commission or the motor license agent shall collect a fee of Three Dollars ($3.00) which shall be in addition to other fees provided by the Oklahoma Vehicle License and Registration Act. The fee, if collected by the motor license agent pursuant to this subsection, shall be retained by the motor license agent.

H. The charge for each certificate of title issued, except for junked titles as defined in paragraph 4 of subsection B of this section, shall be Eleven Dollars ($11.00), which charge shall be in addition to any other fees or taxes imposed by law for such vehicle. One Dollar ($1.00) of each such charge shall be deposited in the Oklahoma Tax Commission Reimbursement Fund. However, the charge shall not apply to any vehicle which is to be registered in this state pursuant to the provisions of Section 1120 or 1133 of this title and which was registered in another state at least sixty (60) days prior to the time it is required to be registered in this state.

I. The vehicle identification number of a junked vehicle shall be preserved in the computer files of the ~~Oklahoma~~ Tax Commission for a period of not less than five (5) years. The charge of junked titles as defined in paragraph 4 of subsection B of this section shall be Four Dollars ($4.00). The fee remitted to the ~~Oklahoma~~ Tax Commission shall be deposited in the Oklahoma Tax Commission Reimbursement Fund.

J. If a vehicle is sold to a resident of another state, destroyed, dismantled, or ceases to be used as a vehicle, the owner shall immediately notify the Tax Commission. Absent evidence to the contrary, failure to notify the Tax Commission shall be prima facie evidence that the vehicle has been in continuous operation in this state.

K. If a vehicle is stolen, the owner shall immediately notify the appropriate law enforcement agency. Immediately after receiving such notification, the law enforcement agency shall notify the ~~Oklahoma~~ Tax Commission.

L. No title for an out-of-state vehicle, except any commercial truck or truck-tractor registered pursuant to Section 1120 of this title which is engaged in interstate commerce or any trailer or semitrailer registered pursuant to Section 1133 of this title which is engaged in interstate commerce, shall be issued without an inspection of such vehicle and payment of a fee of Four Dollars ($4.00) for such inspection; provided, the ~~Oklahoma~~ Tax Commission may enter into reciprocal agreements with other states for such inspections to be performed at locations outside the boundaries of this state for vehicles which:

1. Are offered for sale at auction;

2. Have been solely used as vehicles for rent under the ownership of a licensed motor vehicle dealer or a person engaged in the business of renting motor vehicles; or

3. Have not been registered in this or any other state for more than one (1) year.

The inspection shall include a comparison of the vehicle identification number on the vehicle with the number recorded on the ownership records and the recording of the actual odometer reading on the vehicle. The Four Dollar ($4.00) fee shall be collected by the motor license agent or Commission when the title is issued. The motor license agent shall retain Two Dollars ($2.00). The remaining Two Dollars ($2.00) shall be deposited in the Oklahoma Tax Commission Reimbursement Fund.

The ~~Oklahoma~~ Tax Commission may allow the inspection to be performed at a location out-of-state by another state's department of motor vehicles or state police.

M. No title for any out-of-state vehicle offered for sale at salvage pools, salvage disposal sales, or an auction, or by a dealer or a licensed automotive dismantler and parts recycler, shall be issued without an inspection to compare the vehicle identification number on the vehicle with the number recorded on the ownership record and to record the actual odometer reading on the vehicle. Upon request of the seller, person or entity conducting an auction, dealer or licensed dismantler, the inspection shall be conducted at the location or place of business of the sale, auction, dealer, or the dismantler. The inspection shall be conducted by any motor license agent or a duly authorized employee thereof; provided, the ~~Oklahoma~~ Tax Commission may enter into reciprocal agreements with other states for such inspections to be performed at locations outside the boundaries of this state for vehicles which:

1. Are offered for sale at auction;

2. Have been solely used as vehicles for rent under the ownership of a licensed motor vehicle dealer or a person engaged in the business of renting motor vehicles; or

3. Have not been registered in this or any other state for more than one (1) year.

The inspection shall be certified upon forms prescribed by the ~~Oklahoma~~ Tax Commission. The name and other identification of the authorized person conducting the inspection shall be legibly printed

or typed on the form. Prior to any inspection by any employee of a motor license agent, the motor license agent shall notify the ~~Oklahoma~~ Tax Commission of the name and any other identification information requested by the ~~Oklahoma~~ Tax Commission of the authorized person. A signature specimen of the authorized person shall be submitted to the ~~Oklahoma~~ Tax Commission by the employing motor license agent. If the authorization to inspect vehicles is withdrawn or the employer-employee relationship is terminated, the motor license agent, immediately, shall notify the Tax Commission and return any remaining inspection forms to the ~~Oklahoma~~ Tax Commission. The fee for the inspection shall be Four Dollars ($4.00). The motor license agent shall retain Three Dollars ($3.00) of the fee. Fees received by a motor license agent or an authorized employee thereof shall be handled and accounted for in the manner as prescribed by law for any other fees paid to or received by a motor license agent. Out-of-state vehicles brought into this state by a person licensed in another state to sell new or used vehicles to be sold within this state at a motor vehicle auction which is limited to dealer to dealer transactions shall not be required to be inspected, unless ~~said~~ the vehicle is purchased by an Oklahoma dealer. Any person licensed in another state to sell new or used motor vehicles, who offers a motor vehicle for sale within this state at a motor vehicle auction which is limited to dealer to dealer transactions, shall not be within the definition of "owner" in Section 1102 of this title, for purposes of Section 1101 et seq. of this title.

N. An out-of-state vehicle which has been rebuilt shall be inspected pursuant to the provisions of Section 1111 of this title. The Tax Commission shall train motor license agents in interpreting vehicle identification numbers to assure that it accurately describes the vehicle and to detect rollback or alteration of the odometer. Failure of a motor license agent to inspect the vehicle and make the required notations shall be a misdemeanor punishable by a fine of not more than One Thousand Dollars ($1,000.00) for the first offense and Five Thousand Dollars ($5,000.00) for the second offense or subsequent offense, or by imprisonment in the county jail for not more than six (6) months, or by both such fine and imprisonment.

O. The ownership of any vehicle which has been declared a total loss because of theft shall be transferred to the insurer by a salvage title. Upon recovery of the vehicle from theft, the ownership shall be transferred by an original title, salvage title, or junked title, as may be appropriate based upon an estimate of the amount of loss submitted by the insurer.

P. The owner of any vehicle which is incapable of operation or use on the public roads and has no resale value, except as parts, scrap or junk, may deliver the certificate of title to the vehicle to the ~~Oklahoma~~ Tax Commission for cancellation. Upon verification that any perfected lien against the vehicle has been released, the certificate of title shall be canceled without any fee, charge, or cost required from the owner. The vehicle identification numbers on the certificates of title shall be preserved in the computer files of the ~~Oklahoma~~ Tax Commission for at least five (5) years from the date of cancellation of the certificate of title. The ~~Oklahoma~~ Tax Commission shall prescribe and provide an affidavit form to be completed by the owner of any vehicle for which the certificate of title is canceled. No title or registration shall subsequently be

issued for a vehicle for which the certificate of title has been surrendered pursuant to this subsection. The ~~Oklahoma~~ Tax Commission shall prescribe a form for the transfer of ownership of a vehicle for which the certificate of title has been canceled.

Q. The owner of a vehicle which is not within the last ten (10) model years, not roadworthy and not capable of repair for operation or use on the roads and highways shall transfer the vehicle only upon a certificate of ownership prescribed by the ~~Oklahoma~~ Tax Commission, if the certificate of title to the vehicle is lost, has been canceled, or otherwise not available. The prescribed ownership form shall include the names and addresses of the buyer and seller, the ~~driver's~~ driver license number or social security number of the seller, the make and model of the vehicle, and the public vehicle identification number. If there is no public vehicle identification number, the vehicle shall be inspected by a law enforcement officer to verify the absence of the number on the vehicle and the prescribed ownership form shall include a signed statement, by such officer, verifying the absence of the number.

The certificate of ownership shall be completed in triplicate. The buyer and seller shall each retain a copy. Within thirty (30) days of the transaction, the seller shall submit one copy to the ~~Oklahoma~~ Tax Commission or a motor license agent accompanied with a fee of Four Dollars ($4.00). One Dollar ($1.00) shall be retained by the motor license agent and Three Dollars ($3.00) shall be deposited in the Oklahoma Tax Commission Reimbursement Fund in the State Treasury.

Upon receipt of the certificate, the ~~Oklahoma~~ Tax Commission shall verify that any perfected lien upon the vehicle has been released. If the lien is not released, the Tax Commission shall mail notice of the transfer to the lienholder at the lienholder's last-known address. If a certificate of title has been issued, it shall be canceled and the vehicle identification number shall be preserved in the computer of the ~~Oklahoma~~ Tax Commission for at least five (5) years. The buyer of the vehicle may not be sued and shall not be liable for monetary damages to the lienholder, however, the vehicle shall be subject to a valid repossession by a lienholder.

R. The ~~Oklahoma~~ Tax Commission shall notify the chief administrative officer of the agency or department responsible for issuing motor vehicle certificates of title in each state in the United States of the types of motor vehicle certificate of title effective in Oklahoma on and after January 1, 1989.

S. ~~1.~~ When registering for the first time in this state a remanufactured vehicle which has not been registered in any other state since its remanufacture, before issuing a certificate of title, the Tax Commission shall require the applicant to deliver a statement of origin from the remanufacturer.

SECTION 4. AMENDATORY 47 O.S. 1991, Section 1112, is amended to read as follows:

Section 1112. Every owner of a vehicle possessing a certificate of title shall, before using the same in this state, make an application for the registration of such vehicle with a motor license agent. The application shall contain such information as

shall be required by the Oklahoma Tax Commission. Every owner, when making application for registration, shall furnish the following information:

1. A full description of the vehicle including the manufacturer's serial or other identification number, ~~the manufacturer's factory delivered price, total delivered price,~~ any security interest upon ~~said~~ the vehicle, an odometer reading of ~~said~~ the vehicle when applicable, and the insurance security verification to ~~said~~ the vehicle;

2. The correct name and address, the name of the city, county and state in which the person in whose name the vehicle is to be registered resides, the ~~driver's~~ driver license number of the owner if the owner has a ~~driver's~~ driver license or the Federal Employers Identification Number of the owner if such owner is not an individual, and such other information as may be prescribed by the Commission; and

3. a. The name of the carrier of the owner's insurance policy for such vehicle,

b. The policy number of the owner's policy for such vehicle, if available, or the name of the agent or office where the existence of security may be verified, if other than the carrier,

c. The effective dates of the owner's policy for such vehicle, and

d. A statement of the existence of a nonuse affidavit if filed by the vehicle owner pursuant to the provisions of Section 7-607 of this title.

In every case where a vehicle has been registered upon an application containing any false statement of a fact required in this section to be shown in an application for the registration thereof, the Commission shall give written notice of at least five (5) days to the owner of the vehicle, and shall require the owner to appear before it for the purpose of showing cause why ~~said~~ the registration should not be canceled. Unless satisfactory explanation is given by the owner concerning such false statement, the Commission shall cancel the registration. The owner of the vehicle shall then be required to immediately reregister the vehicle and pay the required fees. The owner shall not be entitled to refund or credit for the fees paid for registration of the motor vehicle made under the application which contained any false statement of fact.

The Commission shall insert in ~~said~~ the application forms appropriate notice to the applicant that any false statement of a fact required to be shown in such application for registration subjects the applicant to prosecution.

SECTION 5. AMENDATORY 47 O.S. 1991, Section 1132, as amended by Section 1, Chapter 10, O.S.L. 1995 (47 O.S. Supp. 1999, Section 1132), is amended to read as follows:

Section 1132. A. For all vehicles, unless otherwise specifically provided by ~~Section 1101 et seq. of this title, the following vehicle registration fees shall be assessed:~~

~~1. A~~ the Oklahoma Vehicle License and Registration Act, a registration fee ~~of Fifteen Dollars ($15.00)~~ shall be assessed at the time of initial registration by the owner and annually thereafter, for the use of the avenues of public access within this state~~; and~~

~~2. A fee, to be paid annually in lieu of all other taxes both general and local, of one and one quarter percent (1 1/4%) of the factory delivered price (F.D.P.). For this purpose the factory delivered price shall be rounded off to the nearest One Hundred Dollars ($100.00).~~

~~After the first year's registration in this or any other state, the fee shall be assessed at ninety percent (90%) of the fee computed and assessed for the first year. Thereafter such fee shall be computed and assessed at ninety percent (90%) of the previous year's fee. The fee shall be so computed and assessed through the twelfth year of registration. The fee thereafter through the twentieth year of registration shall be the same as for the twelfth year of registration. The fee provided by this paragraph shall not be assessed after the twentieth year of registration. The fee provided by this paragraph shall be paid annually for the vehicle registered;~~

~~3. Provided that in no event shall the fee for the registration of a vehicle imposed by this subsection exceed the fee paid to register said vehicle for the preceding year; and~~

~~4. Provided further, there~~ in the following amounts:

1. For the first through the fourth year of registration in this state or any other state, Eighty-five Dollars ($85.00);

2. For the fifth through the eighth year of registration in this state or any other state, Seventy-five Dollars ($75.00);

3. For the ninth through the twelfth year of registration in this state or any other state, Fifty-five Dollars ($55.00);

4. For the thirteenth through the sixteenth year of registration in this state or any other state, Thirty-five Dollars ($35.00); and

5. For the seventeenth and any following year of registration in this state or any other state, Fifteen Dollars ($15.00).

The registration fee provided for in this subsection shall be in lieu of all other taxes, general or local, unless otherwise specifically provided.

B. There shall be a credit allowed with respect to the fee for registration of a new vehicle which is a replacement for:

~~a.~~ ~~a~~

1. A new original vehicle which is stolen from the purchaser/registrant within ninety (90) days of the date of purchase of the original vehicle as certified by a police report or other documentation as required by the Oklahoma Tax Commission~~,~~; or

~~b.~~ ~~a~~

2. A defective new original vehicle returned by the purchaser/registrant to the seller within six (6) months of the date of purchase of the defective new original vehicle as certified by the manufacturer.

~~Said~~ The credit shall be in the amount of the fee for registration which was paid for the new original vehicle and shall be applied to the registration fee for the replacement vehicle. In no event will ~~said~~ the credit be refunded.

~~B.~~ C. 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 homes, register the vehicle within thirty (30) days of change of ownership and pay ~~the~~ a transfer fee ~~provided in paragraph 1 of subsection A of this section~~ of Fifteen Dollars ($15.00) in addition to any other fees provided for in this ~~subsection~~ act. No new decal shall be issued to the registrant. Thereafter, the owner shall register the vehicle annually on the anniversary date of its initial registration in this state and shall pay the fees provided in ~~paragraphs 1 and 2 of~~ subsection A of this section and receive a decal evidencing such payment. Provided, used motor vehicle dealers shall be exempt from the provisions of this section.

~~C.~~ D. In the event the vehicle is not registered, titled and tagged within thirty (30) days from the date of transfer of ownership, the penalty for the failure of the owner of the vehicle to register ~~said~~ the vehicle within thirty (30) days shall be twenty-five cents ($0.25) per day, provided that in no event shall the penalty exceed Twenty-five Dollars ($25.00).

SECTION 6. AMENDATORY 47 O.S. 1991, Section 1141.1, as last amended by Section 1, Chapter 95, O.S.L. 1997 (47 O.S. Supp. 1999, Section 1141.1), is amended to read as follows:

Section 1141.1 A. Each motor license agent shall be entitled to retain the following amounts from the taxes and fees collected by such agent to be used to fund the operation of the office of such motor license agent subject to the provisions of Sections 1140 through 1147 of this title:

1. ~~For~~ Beginning October 1, 2000, for each vehicle registered and for each special license plate issued pursuant to the Oklahoma Vehicle License and Registration Act, ~~an amount determined pursuant to the provisions of subsection B of this section. However, until January 1, 1998,~~ each motor license agent shall be entitled to retain ~~Two Dollars and twenty-five cents ($2.25)~~ Two Dollars and fifty-six cents ($2.56) for each vehicle registered and for each special license plate issued;

2. One Dollar and twenty-five cents ($1.25) for each certificate of title issued for boats and motors pursuant to the Oklahoma Statutes;

3. For each certificate of registration issued for boats and motors pursuant to the Oklahoma Statutes, an amount determined pursuant to the provisions of subsection ~~C~~ B of this section. However, until January 1, 1998, each motor license agent shall be entitled to retain One Dollar and twenty-five cents ($1.25) for each certificate of registration issued for boats and motors;

4. Two Dollars and twenty-five cents ($2.25) for each certificate of title issued pursuant to the Oklahoma Vehicle License and Registration Act;

5. ~~Four percent (4%)~~ Beginning October 1, 2000, three percent (3%) of the vehicle excise tax collected pursuant to Section ~~2102~~ 2103 of Title 68 of the Oklahoma Statutes. Beginning July 1, 2001, each motor license agent shall be entitled to retain three and one hundred twenty-five one-thousandths percent (3.125%) of the vehicle excise tax collected pursuant to Section 2103 of Title 68 of the Oklahoma Statutes. Beginning July 1, 2002, and for all subsequent years, each motor license agent shall be entitled to retain three and twenty-five one-hundredths percent (3.25%) of the vehicle excise tax collected pursuant to Section 2103 of Title 68 of the Oklahoma Statutes. However, beginning July 1, 2003, the Legislature shall annually review the percentage to be retained by the motor license agents pursuant to this paragraph to determine whether such percentage should be adjusted;

6. Four percent (4%) of the excise tax collected on the transfer of boats and motors pursuant to the Oklahoma Statutes;

7. Two Dollars ($2.00) for each ~~driver's~~ driver license, endorsement, identification license, or renewal or duplicate issued pursuant to Section 6-101 et seq. of this title;

8. Two Dollars ($2.00) for the recording of security interests as provided in Section 1110 of this title;

9. Two Dollars ($2.00) for each inspection conducted pursuant to subsection L of Section 1105 of this title;

10. Fifty cents ($0.50) for each inspection conducted pursuant to paragraph 7 of Section 1102 of this title;

11. Three Dollars ($3.00) for each inspection conducted pursuant to subsection M of Section 1105 of this title;

12. One Dollar ($1.00) for each certificate of ownership filed pursuant to subsection Q of Section 1105 of this title;

13. One Dollar ($1.00) for each temporary permit issued pursuant to Section 1124 of this title;

14. One Dollar and fifty cents ($1.50) for processing each proof of financial responsibility, ~~driver's~~ driver license information, insurance verification information, and other additional information as provided in Section 7-602 of this title;

15. The mailing fees and registration fees provided in Sections 1131 and 1140 of this title;

16. The notary fee provided in Section 1143 of this title;

17. Three Dollars ($3.00) for each lien entry form completed and recorded on a certificate of title pursuant to subsection G of Section 1105 of this title;

18. Seven Dollars ($7.00) for each certificate of title or each certificate of registration issued for repossessed vehicles pursuant to Section 1126 of this title; and

19. Any amount specifically authorized by law to be retained by the motor license agent for the furnishing of a summary of a traffic record.

The balance of the funds collected shall be remitted to the Commission as provided in Section 1142 of this title to be apportioned pursuant to Section 1104 of this title.

B. ~~For each vehicle registered and for each special license plate issued pursuant to the provisions of the Oklahoma Vehicle License and Registration Act, each motor license agent shall be entitled to retain the greater of Two Dollars and twenty-five cents ($2.25) or an amount to be determined by the Oklahoma Tax Commission according to the provisions of this subsection. At the end of fiscal year 1997 and each fiscal year thereafter, the Tax Commission shall compute the average amount of registration fees for all vehicles registered and special license plates issued in this state during the fiscal year and shall multiply the result by two and thirty-nine one-hundredths percent (2.39%). The resulting product shall be the amount which may be retained by each motor license agent for each vehicle registered and each special license plate issued during the following calendar year. For purposes of this subsection, the average amount of registration fees for all vehicles registered and special license plates issued shall include, but not be limited to, commercial vehicles and noncommercial vehicles.~~

~~C.~~ For each certificate of registration issued for boats and motors, each motor license agent shall be entitled to retain the greater of One Dollar and twenty-five cents ($1.25) or an amount to be determined by the Oklahoma Tax Commission according to the provisions of this subsection. At the end of fiscal year 1997 and each fiscal year thereafter, the Tax Commission shall compute the average amount of registration fees for all boats and motors registered in this state during the fiscal year and shall multiply the result by six and twenty-two one-hundredths percent (6.22%). The resulting product shall be the amount which may be retained by each motor license agent for each certificate of registration for boats and motors issued during the following calendar year.

SECTION 7. AMENDATORY 47 O.S. 1991, Section 1149, is amended to read as follows:

Section 1149. It shall be the duty of the Oklahoma Tax Commission, and ~~said~~ the Tax Commission is hereby granted authority and jurisdiction to administer this act with the aid of its motor license agents, the Department of Public Safety, the Highway Patrol, county sheriffs and all other duly authorized peace officers. The Tax Commission is hereby authorized to promulgate all necessary rules ~~and regulations~~ and prepare forms and records to carry this act into effect and to enforce the provisions thereof. The Tax

Commission shall have the authority in cases of dispute to determine the ~~factory delivered~~ actual sales price of any vehicle. The Tax Commission shall periodically cause to be prepared and shall distribute to each authorized motor license agent a manual of procedure containing instructions, directions and guidelines to be followed by all motor license agents in the performance of their duties. ~~All rules and regulations promulgated pursuant to the powers contained in this act shall be submitted to the State Legislature by filing a copy thereof with the Governor, the President Pro Tempore of the Senate and the Speaker of the House of Representatives. Provided that, either house of the Legislature may revoke, or suspend, in whole or in part any such rule or regulation within thirty (30) days of the convening of any session of the Legislature by simple resolution.~~

SECTION 8. AMENDATORY 68 O.S. 1991, Section 2103, as amended by Section 21, Chapter 294, O.S.L. 1997 (68 O.S. Supp. 1999, 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 ~~is hereby~~ 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. The excise tax for new vehicles shall be levied at three and one-fourth percent (3 1/4%) of the value of each new vehicle~~, except; for~~. The excise tax for used vehicles shall be as follows:

a. from October 1, 2000, until June 30, 2001, Twenty Dollars ($20.00) on the first One Thousand Dollars ($1,000.00) or less of value of such vehicle, and three and one-fourth percent (3 1/4%) of the remaining value of such vehicle,

b. for the year beginning July 1, 2001, and ending June 30, 2002, Twenty Dollars ($20.00) on the first One Thousand Two Hundred Fifty Dollars ($1,250.00) or less of value of such vehicle, and three and one-fourth percent (3 1/4%) of the remaining value of such vehicle, and

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

2. There shall be levied an excise tax of Ten Dollars ($10.00) for any truck or truck-tractor registered under the provisions of subsection A of Section 1133 of Title 47 of the Oklahoma Statutes, for a laden weight or combined laden weight of 54,001 pounds or more, and for any trailer or semitrailer registered under subsection C of Section 1133 of Title 47 of the Oklahoma Statutes, which is primarily designed to transport cargo over the highways of this state and generally recognized as such~~, the excise tax shall be Ten Dollars ($10.00)~~. ~~This exception~~ The excise tax levied pursuant to this paragraph shall not apply to special mobilized machinery, trailers, or semitrailers manufactured, modified or remanufactured

for the purpose of providing services other than transporting cargo over the highways of this state. ~~This exception~~ The excise tax levied pursuant to this paragraph shall also not apply to pickup trucks, vans, or sport utility vehicles.

~~2.~~ 3. The tax ~~hereby~~ levied pursuant to this section shall be due at the time of the transfer of legal ownership or first registration in this state of such vehicle, and shall be collected by the Oklahoma Tax Commission, or an appointed motor license agent, at the time of the issuance of a certificate of title for any such vehicle. In the event an excise tax is collected on the transfer of legal ownership or use of the vehicle during any calendar year, then an additional excise tax must be collected upon all subsequent transfers of legal ownership. In computing the motor vehicle excise tax, the amount collected shall be rounded to the nearest dollar. The excise tax levied by this section shall be delinquent from and after the thirtieth day after the legal ownership or possession of any vehicle is obtained. Any person failing or refusing to pay the tax as herein provided on or before date of delinquency shall pay in addition to the tax a penalty of twenty-five cents ($0.25) per day for each day of delinquency, but such penalty shall in no event exceed the amount of the tax.

B. The excise tax levied in subsection A of this section assessed on all commercial vehicles registered pursuant to Section 1120 of Title 47 of the Oklahoma Statutes, ~~as amended,~~ shall be in lieu of all sales and use taxes levied ~~under Articles 13 and 14 of this title~~ pursuant to the Sales Tax Code or the Use Tax Code. The transfer of legal ownership of any motor vehicle as used in this section and ~~Articles 13 and 14 of this title~~ the Sales Tax Code and the Use Tax Code shall include the lease, lease purchase or lease finance agreement involving any truck in excess of eight thousand (8,000) pounds combined laden weight or any truck-tractor provided the vehicle is registered in Oklahoma pursuant to Section 1120 of Title 47 of the Oklahoma Statutes or any trailer, semitrailer or open commercial vehicle registered pursuant to Section 1133 of Title 47 of the Oklahoma Statutes~~, as amended~~. The excise tax levied ~~herein~~ pursuant to this section shall not be subsequently collected at the end of the lease period if the lessee acquires complete legal title of the vehicle.

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

1. Husband and wife;

2. Parent and child; or

3. An individual and an express trust which that individual or the spouse, child or parent of that individual has a right to revoke.

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

a. a new original vehicle which is stolen from the purchaser/registrant within ninety (90) days of the date of purchase of the original vehicle as certified by a police report or other documentation as required by the Commission, or

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

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

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

SECTION 9. AMENDATORY 68 O.S. 1991, Section 2104, as amended by Section 2, Chapter 300, O.S.L. 1992 (68 O.S. Supp. 1999, Section 2104), is amended to read as follows:

Section 2104. A. The value of any ~~new~~ motor vehicle, except a manufactured ~~homes~~ home, for the purposes of the excise tax levied by Section 2103 of this title, shall be determined as of the time the person applying for a certificate of title thereto obtained either ownership or possession of the vehicle, which shall be presumed to be the actual date of the sale or other transfer of ownership, and assignment of the certificate of title.

B. The value of any ~~new~~ vehicle~~, except those vehicles subject to the tax levied pursuant to Section 4481 of Title 26 of the United States Code, manufactured in the United States~~, for purposes of the excise tax levied by Section 2103 of this title, shall be the ~~manufacturer's~~ actual sales price of such a vehicle ~~delivered at the factory plus the value of all extra or optional equipment and accessories physically attached to such vehicle at the time of sale and sold as a part thereof minus any portion of the value of such optional equipment and accessories deducted by the dealer at the time of sale if such optional equipment and accessories are sold by the dealer as a discount package. The value of such optional equipment and accessories shall not be less than the manufacturer's suggested retail selling price thereof or the manufacturer's factory price thereof, whichever is the higher. Provided, that as to automobiles the value of such optional equipment and accessories shall not be less than the manufacturer's suggested retail selling price thereof as shown or listed on the label or sticker required by the Act of Congress known as the "Federal Disclosure of Automobile Information Act" (15 U.S.C.A. Section 1231), which is required to be securely affixed or attached on all new automobiles. A complete list of such extra or optional equipment and accessories showing separately such value of each item thereof or the total price of the discount package shall be furnished by the seller to the purchaser of all new vehicles. The total value of such optional equipment and~~

~~accessories, minus any portion of such value deducted by the dealer at the time of sale if such optional equipment and accessories are sold by the dealer as a discount package, and the factory delivered~~ before any discounts or credits are given for a trade-in. However, the value of the vehicle prior to the subtraction of such discounts or credits for a trade-in shall be required to be within twenty percent (20%) of the average retail price value of such vehicle as listed in the automotive reference material prescribed by the Oklahoma Tax Commission. The actual sales price of the vehicle, which total shall be the basis of the motor vehicle excise tax, shall be entered on the bill of sale furnished by the seller to the purchaser, or on such other form as may be prescribed by the Tax Commission. ~~The seller shall also show thereon separately, for license fee rate purposes, the factory delivered price of the vehicle without extra or optional equipment.~~

~~C. The value of a new vehicle subject to the tax levied pursuant to Section 4481 of Title 26 of the United States Code shall be, for the purposes of this article, the actual sales price of such vehicle, provided that said tax has been paid on said vehicle.~~

~~D. The manufacturer's price of a new vehicle manufactured outside of the United States shall, for the purpose of the excise tax levied by Section 2103 of this title, be the value of such model and make of vehicle as determined by the Tax Commission as the gross value of such vehicle at the point or port of entry into the United States, which value shall likewise include the value of all extra or optional equipment and accessories attached to such vehicle minus any portion of the value of such optional equipment and accessories deducted by the dealer at the time of sale if such optional equipment and accessories are sold by the dealer as a discount package.~~

~~E. For purposes of this section, the term "discount package" shall mean optional equipment and accessories physically attached to a vehicle which were selected and packaged together by the manufacturer to be offered for sale at a reduced price. The seller shall deliver to the buyer a copy of the label or sticker required by the Act of Congress known as the "Federal Disclosure of Automobile Information Act" (15 U.S.C.A. Section 1231) indicating a discount package. The buyer shall deliver the copy to the Tax Commission at time of application for title.~~

~~F. Notwithstanding the definition of the terms "new vehicle" and "used vehicle" to the contrary contained in any other law, the term "new vehicle" as used in this section shall also include any vehicle of the latest manufactured model which is owned or acquired by a licensed used motor vehicle dealer and which has not theretofore been registered in Oklahoma and upon which vehicle an Oklahoma motor vehicle excise tax has not been paid. However, upon the sale or transfer by a licensed used motor vehicle dealer located in this state of any such vehicle which is the latest manufactured model, said vehicle shall be valued as a used vehicle for excise tax purposes.~~

~~G. The value of a used vehicle shall be sixty-five percent (65%) of the new vehicle value of such vehicle, determined (as above provided) for subsequent transfers in the first year and in the second year for which registered and sixty-five percent (65%) of the value of the previous year, so fixed for each successive calendar~~

~~year for which such vehicle is registered and licensed in this, or any other state, until such vehicle reaches a minimum value of Two Hundred Fifty Dollars ($250.00). In computing the motor vehicle excise tax, the fees collected shall be rounded to the nearest dollar.~~

~~H. In computing the motor vehicle excise tax due, the value of all vehicles shall be increased or reduced to the nearest multiple of Fifty Dollars ($50.00) and for this purpose Twenty-five Dollars ($25.00) or more shall be considered a major fraction of Fifty Dollars ($50.00) and shall require an increase to the next nearest multiple of Fifty Dollars ($50.00).~~ Upon receipt of the properly completed bill of sale or other form as prescribed by the Tax Commission, and the payment of all applicable taxes and fees, the Tax Commission or an appointed motor license agent shall issue a vehicle certificate of title in accordance with the provisions of the Oklahoma Vehicle License and Registration Act.

SECTION 10. REPEALER 68 O.S. 1991, Section 2104.1, is hereby repealed.

SECTION 11. This act shall become effective October 1, 2000, upon approval by the people.

SECTION 12. The Ballot Title for the proposed act shall be in the following form:

BALLOT TITLE

Legislative Referendum No. ____ State Question No. ____

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure would change vehicle registration fees and taxes. It would change the annual registration fee to a flat fee based on the number of years registered. The fee would be $85 for years one through four, $75 for years five through eight, $55 for years nine through twelve, $35 for years thirteen through sixteen, and $15 for years seventeen and over. The method of calculating vehicle excise tax would change. The change would base the excise tax on the actual sales price of the vehicle instead of the existing arbitrary formula. The rate applied to used vehicles could be lower than the rate for new vehicles. Schools, counties and cities would receive no less than they received during the previous fiscal year. This measure would reduce tag costs for recreational vehicles. This measure would be effective October 1, 2000.

SHALL THIS ACT BE APPROVED BY THE PEOPLE?

☐ YES, FOR THE ACT

☐ NO, AGAINST THE ACT

SECTION 13. The Chief Clerk of the House of Representatives, immediately after the passage of this order for legislative referendum, shall prepare and file in accordance with Section 3 of

Article V of the Oklahoma Constitution one copy thereof, including the Ballot Title set forth in SECTION 12 hereof, with the Secretary of State and one copy with the Attorney General.

Passed the House of Representatives the 26th day of May, 2000.

ACTING Jari Askins
Speaker of the House of Representatives

Passed the Senate the 26th day of May, 2000.

Herb Rozell
President of the Senate

OFFICE OF THE SECRETARY OF STATE

Received by the Secretary of State this 26th day of May 2000, at 5:51, o'clock P. M.

By: Mike Hunter

OFFICE OF ATTORNEY GENERAL
STATE OF OKLAHOMA

June 5, 2000

FILED
JUN 7 2000
OKLAHOMA SECRETARY OF STATE

Mr. Mike Hunter, Secretary of State
Office of the Secretary of State
101 State Capitol Building
Oklahoma City, OK 73105

The Honorable Stratton Taylor
President Pro Tempore
422 State Capitol Building
Oklahoma City, OK 73105

The Honorable Loyd Benson
Speaker of the House of Representatives
401 State Capitol Building
Oklahoma City, OK 73105

Re: Ballot Title for State Question 691 Legislative Reform No. 319

Gentlemen:

We have, in accordance with 34 O.S. Supp 1999, § 9(C), reviewed the Ballot Title for the above-referenced State Question and conclude that the Ballot Title does not comply with the format requirements of 26 O.S. Supp. 1999, § 6-113. Accordingly, we have, as required, prepared a Substitute Ballot Title. As a Title 34 Ballot Title review, the following does not constitute an Attorney General's opinion on the merits or constitutionality of the underlying changes in law. The Substitute Ballot Title reads as follows:

Substitute Ballot Title

> This measure would change vehicle registration fees and taxes. It would change the annual registration fee to a flat fee based on the number of years registered. The fee would be $85 for years one through four, $75 for years five through eight, $55 for years nine through twelve, $35 for years thirteen through sixteen, and $15 for years seventeen and over. The method of calculating vehicle excise

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tax would change. The change would base the excise tax on the actual sales price of the vehicle instead of the existing arbitrary formula. The rate applied to used vehicles could be lower than the rate for new vehicles. Schools, counties and cities would receive no less than they received during the previous fiscal year. This measure would reduce tag costs for recreational vehicles. This measure would be effective October 1, 2000.

SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL _____ YES

AGAINST THE PROPOSAL _____ NO

Respectfully submitted,

W. A. DREW EDMONDSON
ATTORNEY GENERAL

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