

OKLAHOMA TAX COMMISSION

FISCAL IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-FIFTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: February 18, 2015

BILL NUMBER: SB 623 STATUS AND DATE OF BILL: Introduced 01/22/2015

AUTHORS: House n/a Senate Marlatt

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

PROPOSAL: Amendatory 47 O.S. 102

Section One proposes amendment to Section 102 of Title 47 to create separate classifications for "Utility Off-Highway Vehicles¹" and "Utility Vehicles²".

Section Two proposes amendment to Section 11-1116 of Title 47 to allow "utility vehicles" to be operated on the streets and highways of this state.

EFFECTIVE DATE: November 1, 2015

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 16: Section One: None

Section Two: Minimal decrease in vehicle excise tax collections with a minimal increase in motor vehicle revenues.

FY 17: Section One: None

Section Two: Minimal decrease in vehicle excise tax with a minimal increase in motor vehicle revenues

ADMINISTRATIVE IMPACT:

Insert the estimated cost or savings to the Tax Commission due to this proposed legislation.

FY 16: None

Feb. 20, 2015

DATE

Rick Miller

DIVISION DIRECTOR

msm

2-20-15

DATE

Reece Womack

REECE WOMACK, ECONOMIST

2/23/15

DATE

Dan Cash

FOR THE COMMISSION

1 "Utility Off-highway Vehicle" is defined as a vehicle powered by an internal combustion engine, manufactured and use exclusively for off-highway use, equipped with seating for two or more people and a steering wheel, traveling on four or more wheels..

2 "Utility Vehicle" is defined as a vehicle powered by an internal combustion engine with a piston or rotor displacement of greater than 550 cu cm, manufactured and used exclusively for highway and off-highway use, equipped with seating for two or more people and steering wheel, traveling on four or more wheels.

ATTACHMENT TO FISCAL IMPACT SB 623 - [Introduced] - Prepared 02/19/2015

Section One proposes amendment to Section 102 of Title 47 to create separate classifications for "Utility Off-Highway Vehicles³" and "Utility Vehicles⁴".

Section Two proposes amendment to Section 11-1116 to allow "utility vehicles" to be operated on the streets and highways of this state.

Utility vehicles are currently subject to registration fees of \$11.00 and an excise tax rate of 4.5%. Under the measure the registration and excise tax treatment of the off-highway versions of utility vehicle would not change. Those utility vehicles which are roadworthy would be required to register annually at a standard noncommercial rate based on registration year of the vehicle in this or another state set forth as follows:

1 — 4	\$91.00
5 — 8	\$81.00
9 — 12	\$61.00
13 — 16	\$41.00
17 and up	\$21.00

The measure would also subject this new classification of utility vehicles to an excise tax rate of 3.25%.

Based on the foregoing a minimal increase in vehicle registration fees along with a minimal decrease in motor vehicle excise tax revenues is estimated to occur for FY 16 and FY 16.

3 "Utility Off-highway Vehicle" is defined as a vehicle powered by an internal combustion engine, manufactured and use exclusively for off-highway use, equipped with seating for two or more people and a steering wheel, traveling on four or more wheels..

4 "Utility Vehicle" is defined as a vehicle powered by an internal combustion engine with a piston or rotor displacement of greater than 550 cu cm, manufactured and used exclusively for highway and off-highway use, equipped with seating for two or more people and steering wheel, traveling on four or more wheels.