

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT SECOND REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: February 10, 2020

BILL NUMBER: HB 4049 STATUS AND DATE OF BILL: Introduced 01/15/2020

AUTHORS: House McCall Senate n/a

TAX TYPE (S): Motor Vehicle SUBJECT: Other

PROPOSAL: Amendatory

The measure proposes amendment to Section 1132A of Title 47 to affect any online system administered by the Tax Commission dealing with Vehicle License and Registration Act to require the Commission to include a step where an individual taxpayer must select a motor license agent to process the registration renewal. Currently, taxpayers utilizing an online vehicle registration system are allowed to select between the Tax Commission and any motor license agent for purposes of completing motor vehicle, commercial trailer and boat and outboard motor registration transactions.

EFFECTIVE DATE: November 1, 2020

REVENUE IMPACT:

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

FY 21: None

FY 22: None

ADMINISTRATIVE IMPACT:

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

FY 21: \$916,000 decrease in deposits to the Oklahoma Tax Commission
Revolving Fund

Feb. 10, 2020

DATE

Rick Miller

DIVISION DIRECTOR

cjc

2/10/2020

DATE

Huan Gong

HUAN GONG, ECONOMIST

2/10/2020

DATE

[Signature]
FOR THE COMMISSION

The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.

ATTACHMENT TO REVENUE IMPACT – HB 4049 – [Introduced] – Prepared 2/10/2020

The measure proposes amendment to Section 1132A of Title 47 to affect any online system administered by the Tax Commission dealing with the Vehicle License and Registration Act to require the Commission to include a step where an individual taxpayer must select a motor license agent to process the registration renewal. Currently, taxpayers utilizing an online vehicle registration system are allowed to select between the Tax Commission and any motor license agent for purposes of completing motor vehicle, commercial trailer and boat and outboard motor registration transactions.

No impact to state revenues are anticipated as a result of this proposal

Pursuant to taxpayer selections through the OkCARS online system¹, the OTC processed 208,668 transactions² in FY 19 including registration renewals for boats and outboard motors, motor vehicles, commercial trailers and special/personalized plates.³ Agent, insurance verification and tag and decal mailing fees, associated with these transactions totaled \$1,373,703. The measure provides for an effective date of November 1, 2020. Assuming similar vehicle transactions in FY 21, a decrease of \$915,802 in deposits to the Oklahoma Tax Commission Revolving Fund is estimated.

¹ Due to the FY 20 implementation of the Gov2go and Payit vehicle registration renewal systems, transactions completed thereon are not included for purposes of this impact.

² These transactions include the issuance of new special/personalized plates which currently may only be performed by the Tax Commission.