

# OKLAHOMA TAX COMMISSION

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

**DATE OF IMPACT STATEMENT:** May 2, 2022

**BILL NUMBER:** HB 3179 **STATUS AND DATE OF BILL:** Enrolled 04/27/2022

**AUTHORS:** House Phillips and Frix Senate Dossett (J.J.)

**TAX TYPE (S):** Motor Vehicle **SUBJECT:** Other

**PROPOSAL:** Amendatory & New

Section 1 proposes to create a new Section 1-133.1A in Title 47 which defines "military surplus vehicle" and provides that these vehicles to be operated on the streets and highways in Oklahoma must be registered as a motor vehicle. It provides that military surplus vehicle may be used as other vehicles of the same type, except military surplus vehicles may not transport people for hire.

Section 2 proposes to create a new Section 1-133.1B in Title 47 which defines "military surplus vehicle collector" to mean the owner of one or more military surplus vehicles who acquires, collects, purchases, trades, or disposes of such vehicle or parts thereof for such person's own use in order to restore, preserve, and maintain such vehicle or vehicles for historic interest.

Section 3 proposes to amend 47 O.S. § 1113 by outlining annual registration requirements for the described military surplus vehicles for lawful operation on the streets and highways of the state. It also requires the Tax Commission ("OTC") or Corporation Commission ("OCC"), as applicable, to design a distinctive license plate which shows, in addition to an identification number, that the vehicle meets qualifications of a military surplus vehicle, as the case may be, owned by an Oklahoma military surplus vehicle collector. It also states that military surplus vehicle collectors who apply for military surplus license plates will be issued a military surplus collector's identification number that will appear on each license plate. Further, this Section provides for a \$20 processing fee to defray costs of issuing the original military surplus vehicle collector's military surplus vehicle designation license plates.

**EFFECTIVE DATE:** November 1, 2022

### REVENUE IMPACT:

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

FY 23: Unknown increase in motor vehicle collections

### ADMINISTRATIVE IMPACT:

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

FY 23: \$57,700 increase in OTC administrative costs

May 3, 2022  
DATE

Rick Miller  
DIVISION DIRECTOR

bjs

5/3/2022  
DATE

Huan Gong  
HUAN GONG, ECONOMIST

5/4/2022  
DATE

Joseph P. Garza  
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.*

**Section 1 proposes to create a new Section 1-133.1A in Title 47**

Defines “military surplus vehicle”<sup>1</sup> and provides that military surplus vehicle operated on the streets and highways in Oklahoma must be registered as a motor vehicle and may be used as other vehicles of the same type, except military surplus vehicles may not transport people for hire.

**Section 2 proposes to create a new Section 1-133.1B in Title 47**

Defines “military surplus vehicle collector” to mean the owner of one or more military surplus vehicles who acquires, collects, purchases, trades, or disposes of such vehicle or parts thereof for such person’s own use in order to restore, preserve, and maintain such vehicle or vehicles for historic interest.

**Section 3 proposes amendment to 47 O.S. § 1113**

Provides that the operation of a “military surplus vehicle”<sup>1</sup> on the street and highways of this state requires the vehicle to be issued a certification of registration and license plate to be renewed annually. It further provides that upon the filing of the required registration application and payment of the required fees provided in the Oklahoma Vehicle License and Registration Act, the owner thereof shall be issued a distinctive military surplus vehicle license plate designed by the OTC or OCC, as applicable, which shows, in addition to the identification number, that the vehicle meets the qualifications of a military surplus vehicle, as the case may be, owned by an Oklahoma military surplus vehicle collector. The registration shall be valid for one year and may be renewed upon payment of such annual fee.

Provides that the yearly decal shall have an identification number and the last two numbers of the registration year for which it shall expire. Except as provided in 47 O.S. § 1113A the license plate shall be affixed to the exterior of the vehicle until a replacement license plate is issued. Replacement tags are to be charged a fee pursuant to 47 O.S. § 1114 and the license plate and decal shall be of such size, color, design, and numbering as the Tax Commission may direct. However, yearly decals issued to the owner of a vehicle who has filed an affidavit with the appropriate motor license agent in accordance with 47 O.S. § 7-607 shall be a separate and distinct color from all other decals issued under this section.

Provides that each military surplus vehicle collector, who applies for military surplus vehicle license plates will be issued a military surplus collector's identification number that will appear on each license plate. The second and all subsequent registrations under Section 1113 by the same collector will bear the same collector's identification number followed by a suffix letter for vehicle identification.

Stipulates that a military surplus vehicle collector must own and have registered one or more vehicles with regular Oklahoma license plates that are used for regular transportation and provides for a one-time processing fee of \$20.00 to defray the cost of issuing the original military surplus vehicle collector's military surplus vehicle designation license plates to ensure that each collector will be issued only one collector's identification number.

**REVENUE IMPACT**

Unknown increase in motor vehicle collections.

**ADMINISTRATIVE IMPACT**

OTC administrative costs related to the necessary programming to modify the motor vehicle system to provide for registration of military surplus vehicles will require an additional eight weeks development time at an estimated amount of \$57,700.

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<sup>1</sup> A military surplus vehicle” is any motor vehicle having: (1) Three axles or fewer that meet the legal size and weight limits set forth in Section 14-103 of Title 47 of the Oklahoma Statutes. (2) An age less than thirty-five (35) years old and was manufactured for use in either the United States Armed Forces or any country that was a member of the North Atlantic Treaty Organization at the time the vehicle was manufactured. Such vehicle shall have been subsequently authorized for sale to civilians, except that military surplus vehicle does not include a tracked vehicle (3) for each occupant, safety belts or safety shoulder harnesses which shall be installed pursuant to 49 C.F.R., Section 571.208 et seq.; (4) equipment requirement by the provisions of Sections 12-201 through 12-232 of Title 47 of the Oklahoma Statutes, with respect to equipment on vehicles.