

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT SECOND REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: March 1, 2022

BILL NUMBER: HB 4372 STATUS AND DATE OF BILL: Introduced 12/16/2021

AUTHORS: House Ford Senate n/a

TAX TYPE (S): Motor Vehicle SUBJECT: Other

PROPOSAL: Amendatory

The measure proposes amendment to 47 O.S. § 1135.1 to modify the authorization language creating the Antique or Classic special license plate. The current Antique or Classic plate is renamed the Classic special license plate. The plate is designed for any vehicle twenty-five (25) to forty-four (44) years of age. It also creates the Antique Vehicles special license plate to be designed and issued for any vehicle forty-five (45) years of age or older, based upon the date of manufacture thereof and which travels on the highways of this state primarily incidental to historical or exhibition purposes only. The Antique Vehicle special license plate is provided a one-time registration fee of \$8.00 which shall be in addition to all other registration fees provided by law, except the registration fees levied by Section 1132 of this title. It specifies that an annual renewal is not required. Additionally, Antique vehicles that are currently registered with an Antique or Classic special license plate that meet the requirements for the newly created Antique Vehicle license plate may be reregistered as such at expiration of the vehicle's current registration term.

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: None

FY 24: See attached analysis

ADMINISTRATIVE IMPACT:

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

FY 23: \$28,850 increase in OTC administrative costs

Mar. 2, 2022

DATE

Rick Miller

DIVISION DIRECTOR

bjs

3/2/2022

DATE

Huan Gong

HUAN GONG, ECONOMIST

3/2/2022

DATE

[Signature]
FOR THE COMMISSION

The estimated 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.

The measure proposes amendment to 47 O.S. § 1135.1 to modify the authorization language creating the Antique or Classic special license plate. The plate is renamed the Classic special license plate. The plate is to be designed for any vehicle twenty-five (25) to forty-four (44) years of age. It also creates the Antique Vehicles special license plate to be designed and issued for any vehicle forty-five (45) years of age or older, based upon the date of manufacture thereof and which travels on the highways of this state primarily incidental to historical or exhibition purposes only. The Antique Vehicle special license plate is provided a one-time registration fee of \$8.00 which shall be in addition to all other registration fees provided by law, except the registration fees levied by Section 1132 of this title. It specifies that an annual renewal is not required. Additionally, Antique vehicles that are currently registered that meet the requirements may be reregistered under the provisions of this paragraph at expiration of the vehicle's current registration term.

The annual fee for special license plates issued pursuant to the amended section is \$8 and is in addition to all other annual vehicle registration fees. The \$8 fee is deposited into the Oklahoma Tax Commission Reimbursement Fund to be used for the administration of the Oklahoma Vehicle License and Registration Act.

REVENUE IMPACT

The Annual Vehicle Registration Report by the Motor Vehicle Division of the Oklahoma Tax Commission for FY 21, indicates that there were 7,757 antique/classic vehicles in the range of 45 yrs. old or older registered at the current \$14¹ registration fee totaling \$108,598. For purposes of this impact, it is assumed that the same antique special plate registration transactions will occur in FY 23. Thereafter, the change from an annual \$14 registration for the current Antique or Classic license plate to the proposed one-time \$14 fee for the Antique Vehicle license plate yields an annual revenue loss of \$108,598.00 after the first year antiques vehicle are registered.

ADMINISTRATIVE IMPACT

OTC administrative costs related to the necessary programming to modify the motor vehicle system consistent with the statutory proposal will require an additional two to four weeks of development time at an estimated amount of \$28,850.

¹ The Fourteen dollar fee is comprised of the Eight Dollar fee imposed in Section 1135.1 of Title 47 in addition to the combined Six Dollar statutorily authorized administrative fees.