

BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	HB2973
Version:	Introduced
Request Number:	8547
Author:	Rep. West (Rick)
Date:	2/26/2024
Impact:	FY25: \$1,980,648.76
	FY26: \$2,970,973.14

Research Analysis

HB2973 allows a grandparent to gift a car to a grandchild without motor vehicle excise tax being due on the title transfer.

Prepared By: Quyen Do

Fiscal Analysis

As introduced, HB2973 would add an exemption for the excise tax levied upon the transfer of legal ownership of a vehicle. The new exemption would apply to transfers made without consideration between grandparent and grandchild.

Analysis by Service Oklahoma:

It is estimated that there will be a ten percent (10%) increase to family transfers with the passage of this provision. For FY2023, there were 34,079 family transfers on vehicles with an average excise amount of \$871.79. Accordingly, there would be an estimated annual reduction of \$2,970,973.14 to excise tax calculations.

HB2973 has a November 1, 2024 effective date. Accordingly, the impact for FY2025 is estimated at \$1,980,648.76 ($\$2,970,973.14/12 \times 8$) followed by the full reduction for FY2026.

Prepared By: Zach Penrod

Other Considerations

None.