

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 HOUSE BILL 2875

By: Wallace

4  
5  
6 AS INTRODUCED

7 An Act relating to revenue and taxation; enacting the  
8 Motor Vehicle Tax Equity Act of 2021; declaring  
9 purpose; amending 68 O.S. 2011, Sections 1353, as  
10 last amended by Section 1, Chapter 15, O.S.L. 2020,  
11 1355, as last amended by Section 1, Chapter 356,  
12 O.S.L. 2017, 1403, as last amended by Section 2,  
13 Chapter 15, O.S.L. 2020 and 1404, as amended by  
14 Section 5, Chapter 356, O.S.L. 2017 (68 O.S. Supp.  
15 2020, Sections 1353, 1355, 1403 and 1404), which  
16 relate to sales and use tax; apportioning certain tax  
17 collections related to public highway electric  
18 vehicles; limiting the applicability of certain tax  
19 exemptions; amending 68 O.S. 2011, Sections 2101, as  
20 amended by Section 2, Chapter 57, O.S.L. 2016 and  
21 2106, as amended by Section 2, Chapter 356, O.S.L.  
22 2017 (68 O.S. Supp. 2020, Sections 2101 and 2016),  
23 which relate to excise tax on vehicles; modifying  
24 definition; defining terms; clarifying and limiting  
in lieu tax treatment related to public highway  
electric vehicles; limiting certain tax liability;  
providing for codification; providing for  
noncodification; providing an effective date; and  
declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law not to be  
codified in the Oklahoma Statutes reads as follows:

1 This act shall be known and may be cited as the "Motor Vehicle  
2 Tax Equity Act of 2021".

3 SECTION 2. NEW LAW A new section of law not to be  
4 codified in the Oklahoma Statutes reads as follows:

5 It is hereby declared that the purpose of the Motor Vehicle Tax  
6 Equity Act of 2021 is to provide for fair and productive taxation of  
7 motor vehicles designed for use and driving on public highways in  
8 the State of Oklahoma.

9 SECTION 3. AMENDATORY 68 O.S. 2011, Section 1353, as  
10 last amended by Section 1, Chapter 15, O.S.L. 2020 (68 O.S. Supp.  
11 2020, Section 1353), is amended to read as follows:

12 Section 1353. A. It is hereby declared to be the purpose of  
13 the Oklahoma Sales Tax Code to provide funds for the financing of  
14 the program provided for by the Oklahoma Social Security Act and to  
15 provide revenues for the support of the functions of the state  
16 government of Oklahoma, and for this purpose it is hereby expressly  
17 provided that, revenues derived pursuant to the provisions of the  
18 Oklahoma Sales Tax Code, subject to the apportionment requirements  
19 for the Oklahoma Tax Commission and Office of Management and  
20 Enterprise Services Joint Computer Enhancement Fund provided by  
21 Section 265 of this title, shall be apportioned as follows:

22 1. Except as provided in subsection € D of this section, the  
23 following amounts shall be paid to the State Treasurer to be placed  
24

1 to the credit of the General Revenue Fund to be paid out pursuant to  
2 direct appropriation by the Legislature:

3 Fiscal Year	Amount
4 FY 2003 and FY 2004	86.04%
5 FY 2005	85.83%
6 FY 2006	85.54%
7 FY 2007	85.04%
8 FY 2008 through FY 2022	83.61%
9 FY 2023 through FY 2027	83.11%
10 FY 2028 and each fiscal year thereafter	83.61%;

11 2. The following amounts shall be paid to the State Treasurer  
12 to be placed to the credit of the Education Reform Revolving Fund of  
13 the State Department of Education:

- 14 a. for FY 2003, FY 2004 and FY 2005, ten and forty-two  
15 one-hundredths percent (10.42%),
- 16 b. for FY 2006 through FY 2020, ten and forty-six one-  
17 hundredths percent (10.46%),
- 18 c. for FY 2021:
  - 19 (1) for the month beginning July 1, 2020, through the  
20 month ending August 31, 2020, ten and forty-six  
21 one-hundredths percent (10.46%), and
  - 22 (2) for the month beginning September 1, 2020,  
23 through the month ending June 30, 2021, eleven  
24 and ninety-six one-hundredths percent (11.96%),

d. for FY 2022, eleven and seventy-one one-hundredths percent (11.71%), and

e. for FY 2023 and each fiscal year thereafter, ten and forty-six one-hundredths percent (10.46%);

3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 through FY 2020	5.0%
FY 2021:	
a. for the month beginning July 1, 2020, through the month ending August 31, 2020	5.0%
b. for the month beginning September 1, 2020, through the month ending June 30, 2021	3.5%
FY 2022	3.75%
FY 2023 through FY 2027	5.5%
FY 2028 and each fiscal year thereafter	5.0%

1 4. a. except as otherwise provided in subparagraph b of this  
2 paragraph, for the fiscal year beginning July 1, 2015,  
3 and for each fiscal year thereafter, eighty-seven one-  
4 hundredths percent (0.87%) shall be paid to the State  
5 Treasurer to be further apportioned as follows:

6 (1) thirty-six percent (36%) shall be placed to the  
7 credit of the Oklahoma Tourism Promotion  
8 Revolving Fund, but in no event shall such  
9 apportionment exceed Five Million Dollars  
10 (\$5,000,000.00) in any fiscal year, and

11 (2) sixty-four percent (64%) shall be placed to the  
12 credit of the Oklahoma Tourism Capital  
13 Improvement Revolving Fund, but in no event shall  
14 such apportionment exceed Nine Million Dollars  
15 (\$9,000,000.00) in any fiscal year, and

16 b. any amounts which exceed the limitations of  
17 subparagraph a of this paragraph shall be placed to  
18 the credit of the General Revenue Fund; and

19 5. For the fiscal year beginning July 1, 2015, and for each  
20 fiscal year thereafter, six one-hundredths percent (0.06%) shall be  
21 placed to the credit of the Oklahoma Historical Society Capital  
22 Improvement and Operations Revolving Fund, but in no event shall  
23 such apportionment exceed the total amount apportioned pursuant to  
24 this paragraph for the fiscal year ending on June 30, 2015. Any

1 amounts which exceed the limitations of this paragraph shall be  
2 placed to the credit of the General Revenue Fund.

3 B. Provided, for the fiscal year beginning July 1, 2007, and  
4 every fiscal year thereafter, an amount of revenue shall be  
5 apportioned to each municipality or county which levies a sales tax  
6 subject to the provisions of Section 1357.10 of this title and  
7 subsection F of Section 2701 of this title equal to the amount of  
8 sales tax revenue of such municipality or county exempted by the  
9 provisions of Section 1357.10 of this title and subsection F of  
10 Section 2701 of this title. The Oklahoma Tax Commission shall  
11 promulgate and adopt rules necessary to implement the provisions of  
12 this subsection.

13 C. For the fiscal year beginning July 1, 2021, and each fiscal  
14 year thereafter, the sales tax of four and five-tenths percent  
15 (4.5%) of the gross receipts, levied by Section 1354 of this title,  
16 on sales of public highway electric vehicles that is collected by  
17 the Oklahoma Tax Commission under the levy shall be apportioned as  
18 follows:

19 a. sixty percent (60%) shall be placed to the credit of  
20 the State Highway Construction and Maintenance Fund  
21 created pursuant to Section 1501 of Title 69 of the  
22 Oklahoma Statutes, and

23 b. forty percent (40%) shall be divided among the county  
24 treasurers' offices according to percentage of county

1           road miles as certified annually by the Oklahoma  
2           Department of Transportation to be credited to the  
3           county highway fund of each county created pursuant to  
4           Section 1503 of Title 69 of the Oklahoma Statutes.

5           D. From the monies that would otherwise be apportioned to the  
6 General Revenue Fund pursuant to subsection A of this section, there  
7 shall be apportioned the following amounts:

8           1. For the month ending August 31, 2019:

- 9           a.     Nine Million Six Hundred Thousand Dollars  
10                 (\$9,600,000.00) to the credit of the State Highway  
11                 Construction and Maintenance Fund created in Section  
12                 1501 of Title 69 of the Oklahoma Statutes, and  
13           b.     Two Million Dollars (\$2,000,000.00) to the credit of  
14                 the Oklahoma Railroad Maintenance Revolving Fund  
15                 created in Section 309 of Title 66 of the Oklahoma  
16                 Statutes;

17          2. For the month ending September 30, 2019:

- 18          a.     Twenty Million Dollars (\$20,000,000.00) to the credit  
19                 of the State Highway Construction and Maintenance Fund  
20                 created in Section 1501 of Title 69 of the Oklahoma  
21                 Statutes, and  
22          b.     Two Million Dollars (\$2,000,000.00) to the credit of  
23                 the Oklahoma Railroad Maintenance Revolving Fund  
24

1           created in Section 309 of Title 66 of the Oklahoma  
2           Statutes;

3       3. For the month ending October 31, 2019:

4           a. Twenty Million Dollars (\$20,000,000.00) to the credit  
5           of the State Highway Construction and Maintenance Fund  
6           created in Section 1501 of Title 69 of the Oklahoma  
7           Statutes, and

8           b. Two Million Dollars (\$2,000,000.00) to the credit of  
9           the Oklahoma Railroad Maintenance Revolving Fund  
10          created in Section 309 of Title 66 of the Oklahoma  
11          Statutes;

12       4. For the month ending November 30, 2019:

13           a. Twenty Million Dollars (\$20,000,000.00) to the credit  
14           of the State Highway Construction and Maintenance Fund  
15           created in Section 1501 of Title 69 of the Oklahoma  
16           Statutes, and

17           b. Two Million Dollars (\$2,000,000.00) to the credit of  
18           the Oklahoma Railroad Maintenance Revolving Fund  
19           created in Section 309 of Title 66 of the Oklahoma  
20           Statutes; and

21       5. For the month ending December 31, 2019:

22           a. Twenty Million Dollars (\$20,000,000.00) to the credit  
23           of the State Highway Construction and Maintenance Fund  
24



1 created in Section 1501 of Title 69 of the Oklahoma  
2 Statutes, and

3 b. Two Million Dollars (\$2,000,000.00) to the credit of  
4 the Oklahoma Railroad Maintenance Revolving Fund  
5 created in Section 309 of Title 66 of the Oklahoma  
6 Statutes.

7 SECTION 4. NEW LAW A new section of law to be codified  
8 in the Oklahoma Statutes as Section 1354.1A of Title 68, unless  
9 there is created a duplication in numbering, reads as follows:

10 The tax liability otherwise provided for public highway electric  
11 vehicles by Section 2106 of Title 68 of the Oklahoma Statutes shall  
12 not exceed One Thousand Five Hundred Dollars (\$1,500.00).

13 SECTION 5. AMENDATORY 68 O.S. 2011, Section 1355, as  
14 last amended by Section 1, Chapter 356, O.S.L. 2017 (68 O.S. Supp.  
15 2020, Section 1355), is amended to read as follows:

16 Section 1355. There are hereby specifically exempted from the  
17 tax levied pursuant to the provisions of Section 1350 et seq. of  
18 this title:

19 1. Sale of gasoline, motor fuel, methanol, "M-85" which is a  
20 mixture of methanol and gasoline containing at least eighty-five  
21 percent (85%) methanol, compressed natural gas, liquefied natural  
22 gas, or liquefied petroleum gas on which the Motor Fuel Tax,  
23 Gasoline Excise Tax, Special Fuels Tax or the fee in lieu of Special  
24

1 Fuels Tax levied in Section 500.1 et seq., Section 601 et seq. or  
2 Section 701 et seq. of this title has been, or will be paid;

3 2. For the sale of motor vehicles other than public highway  
4 electric vehicles or any optional equipment or accessories attached  
5 to such motor vehicles other than public highway electric vehicles  
6 on which the Oklahoma Motor Vehicle Excise Tax levied in Section  
7 2101 et seq. of this title has been, or will be paid, all but a  
8 portion of the levy provided under Section 1354 of this title, equal  
9 to one and twenty-five-hundredths percent (1.25%) of the gross  
10 receipts of such sales. The sale of public highway electric  
11 vehicles shall not be exempted from the tax levy provided under  
12 Section 1354 of this title, or otherwise exempted from taxation  
13 levied pursuant to the Oklahoma Sales Tax Code. Provided, the sale  
14 of motor vehicles shall not be subject to any sales and use taxes  
15 levied by cities, counties or other jurisdictions of the state;

16 3. Sale of crude petroleum or natural or casinghead gas and  
17 other products subject to gross production tax pursuant to the  
18 provisions of Section 1001 et seq. and Section 1101 et seq. of this  
19 title. This exemption shall not apply when such products are sold  
20 to a consumer or user for consumption or use, except when used for  
21 injection into the earth for the purpose of promoting or  
22 facilitating the production of oil or gas. This paragraph shall not  
23 operate to increase or repeal the gross production tax levied by the  
24 laws of this state;

1           4. Sale of aircraft on which the tax levied pursuant to the  
2 provisions of Sections 6001 through 6007 of this title has been, or  
3 will be paid or which are specifically exempt from such tax pursuant  
4 to the provisions of Section 6003 of this title;

5           5. Sales from coin-operated devices on which the fee imposed by  
6 Sections 1501 through 1512 of this title has been paid;

7           6. Leases of twelve (12) months or more of motor vehicles in  
8 which the owners of the vehicles have paid the vehicle excise tax  
9 levied by Section 2103 of this title;

10          7. Sales of charity game equipment on which a tax is levied  
11 pursuant to the Oklahoma Charity Games Act, Section 401 et seq. of  
12 Title 3A of the Oklahoma Statutes, or which is sold to an  
13 organization that is:

14           a. a veterans' organization exempt from taxation pursuant  
15 to the provisions of paragraph (4), (7), (8), (10) or  
16 (19) of subsection (c) of Section 501 of the United  
17 States Internal Revenue Code of 1986, as amended, 26  
18 U.S.C., Section 501(c) et seq.,

19           b. a group home for mentally disabled individuals exempt  
20 from taxation pursuant to the provisions of paragraph  
21 (3) of subsection (c) of Section 501 of the United  
22 States Internal Revenue Code of 1986, as amended, 26  
23 U.S.C., Section 501(c) et seq., or  
24

1 c. a charitable healthcare organization which is exempt  
2 from taxation pursuant to the provisions of paragraph  
3 (3) of subsection (c) of Section 501 of the United  
4 States Internal Revenue Code of 1986, as amended, 26  
5 U.S.C., Section 501(c) et seq.;

6 8. Sales of cigarettes or tobacco products to:

7 a. a federally recognized Indian tribe or nation which  
8 has entered into a compact with the State of Oklahoma  
9 pursuant to the provisions of subsection C of Section  
10 346 of this title or to a licensee of such a tribe or  
11 nation, upon which the payment in lieu of taxes  
12 required by the compact has been paid, or

13 b. a federally recognized Indian tribe or nation or to a  
14 licensee of such a tribe or nation upon which the tax  
15 levied pursuant to the provisions of Section 349.1 or  
16 Section 426 of this title has been paid;

17 9. Leases of aircraft upon which the owners have paid the  
18 aircraft excise tax levied by Section 6001 et seq. of this title or  
19 which are specifically exempt from such tax pursuant to the  
20 provisions of Section 6003 of this title;

21 10. The sale of low-speed or medium-speed electrical vehicles  
22 on which the Oklahoma Motor Vehicle Excise Tax levied in Section  
23 2101 et seq. of this title has been or will be paid; and  
24

1 11. Effective January 1, 2005, sales of cigarettes on which the  
2 tax levied in Section 301 et seq. of this title or tobacco products  
3 on which the tax levied in Section 401 et seq. of this title has  
4 been paid.

5 SECTION 6. AMENDATORY 68 O.S. 2011, Section 1403, as  
6 last amended by Section 2, Chapter 15, O.S.L. 2020 (68 O.S. Supp.  
7 2020, Section 1403), is amended to read as follows:

8 Section 1403. A. It is hereby declared to be the purpose of  
9 Section 1401 et seq. of this title to provide for the support of the  
10 functions of the state and local government of Oklahoma; and for  
11 this purpose and to this end, it is hereby expressly provided that  
12 the revenues derived hereunder, subject to the apportionment  
13 provided in ~~subsection~~ subsections B and C of this section and to  
14 the apportionment requirements for the Oklahoma Tax Commission and  
15 Office of Management and Enterprise Services Joint Computer  
16 Enhancement Fund provided by Section 265 of this title, are hereby  
17 apportioned as follows:

18 1. The following amounts shall be paid by the Tax Commission to  
19 the State Treasurer and placed to the credit of the General Revenue  
20 Fund to be paid out pursuant to direct appropriation by the  
21 Legislature:

22 Fiscal Year	Amount
23 FY 2004	85.35%
24 FY 2005	85.14%

1	FY 2006	85.54%
2	FY 2007	85.04%
3	FY 2008 through FY 2022	83.61%
4	FY 2023 through FY 2027	83.11%
5	FY 2028 and each fiscal year thereafter	83.61%;

6       2. The following amounts shall be paid to the State Treasurer  
7 to be placed to the credit of the Education Reform Revolving Fund of  
8 the State Department of Education:

9           a. for FY 2020, ten and forty-six one-hundredths percent  
10               (10.46%),

11           b. for FY 2021:

12               (1) for the month beginning July 1, 2020, through the  
13               month ending August 31, 2020, ten and forty-six  
14               one-hundredths percent (10.46%), and

15               (2) for the month beginning September 1, 2020,  
16               through the month ending June 30, 2021, eleven  
17               and ninety-six one-hundredths percent (11.96%),

18           c. for FY 2022, eleven and seventy-one one-hundredths  
19               percent (11.71%), and

20           d. for FY 2023 and each fiscal year thereafter, ten and  
21               forty-six one-hundredths percent (10.46%);

22       3. The following amounts shall be paid to the State Treasurer  
23 to be placed to the credit of the Teachers' Retirement System  
24 Dedicated Revenue Revolving Fund:

1	Fiscal Year	Amount
2	FY 2003 and FY 2004	3.54%
3	FY 2005	3.75%
4	FY 2006	4.0%
5	FY 2007	4.5%
6	FY 2008 through FY 2020	5.0%
7	FY 2021:	
8	a. for the month beginning July	
9	1, 2020, through the month	
10	ending August 31, 2020	5.0%
11	b. for the month beginning	
12	September 1, 2020, through	
13	the month ending June 30,	
14	2021	3.5%
15	FY 2022	3.75%
16	FY 2023 through FY 2027	5.5%
17	FY 2028 and each fiscal year thereafter	5.0%
18	4. a. except as otherwise provided in subparagraph b of this	
19	paragraph, for the fiscal year beginning July 1, 2015,	
20	and for each fiscal year thereafter, eighty-seven one-	
21	hundredths percent (0.87%) shall be paid to the State	
22	Treasurer to be further apportioned as follows:	
23	(1) thirty-six percent (36%) shall be placed to the	
24	credit of the Oklahoma Tourism Promotion	

1 Revolving Fund, but in no event shall such  
2 apportionment exceed the total amount apportioned  
3 pursuant to this division for the fiscal year  
4 ending on June 30, 2015, and

5 (2) sixty-four percent (64%) shall be placed to the  
6 credit of the Oklahoma Tourism Capital  
7 Improvement Revolving Fund, but in no event shall  
8 such apportionment exceed the total amount  
9 apportioned pursuant to this division for the  
10 fiscal year ending on June 30, 2015, and

11 b. any amounts which exceed the limitations of  
12 subparagraph a of this paragraph shall be placed to  
13 the credit of the General Revenue Fund; and

14 5. For the fiscal year beginning July 1, 2015, and for each  
15 fiscal year thereafter, six one-hundredths percent (0.06%) shall be  
16 placed to the credit of the Oklahoma Historical Society Capital  
17 Improvement and Operations Revolving Fund, but in no event shall  
18 such apportionment exceed the total amount apportioned pursuant to  
19 this paragraph for the fiscal year ending on June 30, 2015. Any  
20 amounts which exceed the limitations of this paragraph shall be  
21 placed to the credit of the General Revenue Fund.

22 B. Prior to the apportionments otherwise provided in this  
23 section, there shall be apportioned to the Education Reform  
24





1           3. In respect to the use of any article of tangible personal  
2 property on which a tax, equal to or in excess of that levied by  
3 Section 1401 et seq. of this title, has been paid by the person  
4 using such tangible personal property in this state, whether such  
5 tax was levied under the laws of this state or some other state of  
6 the United States. If any article of tangible personal property has  
7 already been subjected to a tax, by this or any other state, in  
8 respect to its sale or use, in an amount less than the tax imposed  
9 by Section 1401 et seq. of this title, the provisions of Section  
10 1401 et seq. of this title shall apply to it by a rate measured by  
11 the difference only between the rate herein provided and the rate by  
12 which the previous tax upon the sale or use was computed. Provided,  
13 that no credit shall be given for taxes paid in another state, if  
14 that state does not grant like credit for taxes paid in Oklahoma;

15           4. In respect to the use of tangible personal property now  
16 specifically exempted from taxation under Oklahoma Sales Tax Code.  
17 Provided, for the sale of motor vehicles other than public highway  
18 electric vehicles or any optional equipment or accessories attached  
19 to motor vehicles other than public highway electric vehicles on  
20 which the Oklahoma Motor Vehicle Excise Tax levied pursuant to  
21 Sections 2101 through 2108 of this title has been, or will be, paid,  
22 the ~~exceptions~~ exemptions shall apply to all but a portion of the  
23 levy provided under Section 1402 of this title, equal to one and  
24 twenty-five-hundredths percent (1.25%) of the purchase price of such

1 motor vehicles other than public highway electric vehicles.  
2 Provided, public highway electric vehicles shall not be exempted  
3 from taxation under the Oklahoma Sales Tax Code, exempted from the  
4 levy of tax provided under Section 1402 of this title or otherwise  
5 exempted from taxation levied pursuant to Sections 1401 through 1411  
6 of this title. Provided further, the sale of motor vehicles shall  
7 not be subject to any sales and use taxes levied by cities, counties  
8 or other jurisdictions of the state;

9       5. In respect to the use of any article or tangible personal  
10 property brought into the state by an individual with intent to  
11 become a resident of this state where such personal property is for  
12 such individual's personal use or enjoyment;

13       6. In respect to the use of any article of tangible personal  
14 property used or to be used by commercial airlines or railroads;

15       7. In respect to livestock purchased outside this state and  
16 brought into this state for feeding or breeding purposes, and which  
17 is later resold; and

18       8. Effective January 1, 1991, in respect to the use of rail  
19 transportation cars to haul coal to coal-fired plants located in  
20 this state which generate electric power.

21       SECTION 8.       AMENDATORY       68 O.S. 2011, Section 2101, as  
22 amended by Section 2, Chapter 57, O.S.L. 2016 (68 O.S. Supp. 2020,  
23 Section 2101), is amended to read as follows:

24       Section 2101. For the purpose of this article:

1        1. The term "motor vehicle" means and includes every  
2 automobile, public highway electric vehicle, truck, truck-tractor,  
3 all-terrain vehicle, utility vehicle or any motor bus or any self-  
4 propelled vehicle not operated or driven upon fixed rails or tracks  
5 or in the air or on water;

6        2. The term "vehicle" means and includes every device in, upon,  
7 or by which any person or property is, or may be, transported or  
8 drawn, excepting devices moved by human or animal power, when not  
9 used upon fixed rails or tracks, or in the air or on water;

10       3. The term "low-speed electrical vehicle" means and includes  
11 any four-wheeled electrical vehicle that is powered by an electric  
12 motor that draws current from rechargeable storage batteries or  
13 other sources of electrical current and whose top speed is greater  
14 than twenty (20) miles per hour but not greater than twenty-five  
15 (25) miles per hour and is manufactured in compliance with the  
16 National Highway Traffic Safety Administration standards for low-  
17 speed vehicles in 49 C.F.R. 571.500;

18       4. The term "automobile" means and includes every motor vehicle  
19 constructed and used solely for the transportation of persons for  
20 purposes other than for hire or compensation;

21       5. The term "motorcycle" means and includes every motor vehicle  
22 designed to travel on not more than three wheels other than an all-  
23 terrain vehicle;

24

1       6. The term "truck" means and includes every motor vehicle  
2 constructed or used for the transportation of property not falling  
3 within the definition of truck-tractor, trailer or semitrailer, as  
4 herein defined;

5       7. The term "truck-tractor" means and includes every motor  
6 vehicle of the truck type designed to draw or support the front end  
7 of a semitrailer;

8       8. The term "trailer" means and includes any vehicle designed  
9 to be drawn by a truck, tractor or a truck-tractor, but supported  
10 upon its own wheels;

11       9. The term "semitrailer" means and includes any vehicle  
12 designed to be attached to, and having its front end supported by a  
13 truck, tractor, or truck-tractor;

14       10. The term "motor bus" means and includes every motor vehicle  
15 constructed so as to carry persons, and which is used or rented to  
16 carry persons for compensation;

17       11. The term "manufactured home" means a residential dwelling  
18 built in accordance with the National Manufactured Housing  
19 Construction and Safety Standards Act of 1974, 42 U.S.C., Section  
20 5401 et seq., and rules promulgated pursuant thereto and the rules  
21 promulgated by the Oklahoma Used Motor Vehicle and Parts Commission  
22 pursuant to Section 582 of Title 47 of the Oklahoma Statutes.  
23 Manufactured home shall not mean a park model recreational vehicle  
24 as defined in Section 1102 of Title 47 of the Oklahoma Statutes;

1       12. The term "farm tractor" means and includes any vehicle of  
2 tractor type owned and operated by the purchaser and used  
3 exclusively for agricultural purposes;

4       13. The term "all-terrain vehicle" means and includes every  
5 vehicle defined as an all-terrain vehicle in Section 1102 of Title  
6 47 of the Oklahoma Statutes;

7       14. The terms "legal ownership" and "legally owned" mean the  
8 right to possession, whether acquired by purchase, barter, exchange,  
9 assignment, gift, operation of law, or in any other manner;

10       15. The term "person" means and includes natural persons,  
11 individuals, partnerships, firms, associations, limited liability  
12 companies, corporations, estates, trustees, business trusts,  
13 syndicates, this state, any county, city, municipality, school  
14 district or other political subdivision of the state, or any  
15 corporation or combination acting as a unit or any receiver  
16 appointed by any state or federal court; and the use of the singular  
17 number shall include the plural number;

18       16. The term "Tax Commission" means the Oklahoma Tax  
19 Commission;

20       17. The term "utility vehicle" means every vehicle defined as a  
21 utility vehicle in Section 1102 of Title 47 of the Oklahoma  
22 Statutes; ~~and~~

23       18. The term "medium-speed electrical vehicle" means any self-  
24 propelled, electrically powered four-wheeled motor vehicle, equipped

1 with a roll cage or crush-proof body design, whose speed attainable  
2 in one (1) mile is more than thirty (30) miles per hour but not  
3 greater than thirty-five (35) miles per hour;

4 19. The term "public highway electric vehicle" means and  
5 includes any motor vehicle that is manufactured, sold and acquired  
6 primarily for use and driving on public highways, that is a four-  
7 wheeled vehicle which is propelled solely or to a significant extent  
8 by an electric motor which draws electricity from a battery or other  
9 portable sources of electric current and is capable of being  
10 recharged from an external source of electricity, and whose normal  
11 speed attainable in one (1) mile, without installation, operation,  
12 or use of any speed limiter device, is greater than thirty-five (35)  
13 miles per hour; and

14 20. The term "public highways" means and includes every road,  
15 highway, street, way or place within this state, of whatever nature,  
16 generally open to the use of the public as a matter of right for the  
17 purposes of vehicular travel, including a toll highway, and  
18 including streets and alleys of any town or city, notwithstanding  
19 that the same may be temporarily closed for the purpose of  
20 construction, reconstruction, maintenance or repair.

21 SECTION 9. AMENDATORY 68 O.S. 2011, Section 2106, as  
22 amended by Section 2, Chapter 356, O.S.L. 2017 (68 O.S. Supp. 2020,  
23 Section 2106), is amended to read as follows:

24

1 Section 2106. (a) The excise tax levied by this article is in  
2 lieu of all other taxes on the transfer or the first registration in  
3 this state of vehicles, including the optional equipment and  
4 accessories attached thereto at the time of sale and sold as a part  
5 thereof, except:

6 (1) Annual vehicle registration and license fees;

7 (2) The fee of One Dollar (\$1.00) for the issuance of a  
8 certificate of title;

9 (3) Any fee charged under the jurisdiction of the Corporation  
10 Commission; and

11 (4) One and twenty-five-hundredths percent (1.25%) of the gross  
12 receipts upon which the tax is levied by Section 1354 of this title  
13 on sales of motor vehicles other than public highway electric  
14 vehicles;

15 (5) Four and five-tenths percent (4.5%) of the gross receipts  
16 upon which the tax is levied by Section 1354 of this title on sales  
17 of public highway electric vehicles except as otherwise provided in  
18 Section 4 of this act; and

19 (6) Four and five-tenths percent (4.5%) of the gross receipts  
20 upon which the tax is levied by Section 1402 of this title on use of  
21 public highway electric vehicles except as otherwise provided in  
22 Section 4 of this act.  
23  
24



1        Provided, the sale of motor vehicles shall not be subject to any  
2 sales and use taxes levied by cities, counties or other  
3 jurisdictions of the state.

4        (b) This section shall not relieve any new or used motor  
5 vehicle dealer or any other vendor of vehicles from liability for  
6 the sales tax on all sales of accessories or optional equipment, or  
7 parts, which are not attached to, and sold as a part thereof and  
8 included in the sale of such vehicles.

9        SECTION 10. This act shall become effective July 1, 2021.

10       SECTION 11. It being immediately necessary for the preservation  
11 of the public peace, health or safety, an emergency is hereby  
12 declared to exist, by reason whereof this act shall take effect and  
13 be in full force from and after its passage and approval.

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15        58-1-6016        JM        01/13/21

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