

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 55th Legislature (2016)

4 COMMITTEE SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 1459

By: Stanislawski of the Senate

and

Walker of the House

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10 COMMITTEE SUBSTITUTE

11 An Act relating to motor vehicle license plates;
12 amending 47 O.S. 2011, Section 1137.1, as amended by
13 Section 7, Chapter 386, O.S.L. 2015 (47 O.S. Supp.
14 2015, Section 1137.1), which relates to used dealer
15 temporary license plates; authorizing use of used
16 dealer temporary plates for certain nonprofit
17 organizations for specified purposes; requiring
18 Oklahoma Tax Commission to design plates; specifying
19 cost of license plates; and providing an effective
20 date.

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

22 SECTION 1. AMENDATORY 47 O.S. 2011, Section 1137.1, as
23 amended by Section 7, Chapter 386, O.S.L. 2015 (47 O.S. Supp. 2015,
24 Section 1137.1), is amended to read as follows:

 Section 1137.1 A. Except for vehicles, travel trailers or
commercial trailers which display a current Oklahoma license tag,
upon the purchase or transfer of ownership of a used motor vehicle,

1 travel trailer or commercial trailer, including an out-of-state
2 purchase or transfer of the same, to a licensed used motor vehicle
3 dealer, wholesale used motor vehicle dealer, used travel trailer
4 dealer or used commercial trailer dealer, subsequently referred to
5 in this section as "dealer", the dealer shall affix a used dealer's
6 plate visible from the rear of the vehicle, travel trailer or
7 commercial trailer. Such license plate shall expire on December 31
8 of each year. When the vehicle, travel trailer or commercial
9 trailer is parked on the dealer's licensed place of business, it
10 shall not be required to have a license plate of any kind affixed.
11 A dealer shall obtain from the Oklahoma Tax Commission at a cost of
12 Ten Dollars (\$10.00) a dealer license plate for demonstrating,
13 transporting or any other normal business of a dealer including use
14 by an individual holding a valid salesperson's license issued by the
15 Oklahoma Used Motor Vehicle and Parts Commission. Any dealer who
16 operates a wrecker or towing service licensed pursuant to Sections
17 951 through 957 of this title shall register each wrecker vehicle
18 and display a wrecker license plate on each vehicle as required by
19 Section 1134.3 of this title. A dealer may obtain as many
20 additional license plates as may be desired upon the payment of Ten
21 Dollars (\$10.00) for each additional license plate. Use of the used
22 dealer license plate by a licensed dealer for other than the
23 purposes as set forth herein shall constitute grounds for revocation
24 of the dealer's license. The Oklahoma Tax Commission shall design

1 the official used dealer license plate to include the used dealer's
2 license number issued to him or her each year by the Commission or
3 the Used Motor Vehicle and Parts Commission.

4 B. Upon the purchase or transfer of ownership of an out-of-
5 state used motor vehicle, travel trailer or commercial trailer to a
6 licensed dealer, the dealer shall make application for an Oklahoma
7 certificate of title pursuant to the Oklahoma Vehicle License and
8 Registration Act, Section 1101 et seq. of ~~Title 47 of the Oklahoma~~
9 ~~Statutes~~ this title. Upon receipt of the Oklahoma certificate of
10 title, the dealer shall follow the procedure as set forth in
11 subsection A of this section. Provided, nothing in this title shall
12 be construed as requiring a dealer to register a used motor vehicle,
13 travel trailer or commercial trailer purchased in another state
14 which will not be operated or sold in this state.

15 C. Upon sale or transfer of ownership of the used motor vehicle
16 or travel trailer, the dealer shall place upon the reassignment
17 portion of the certificate of title a tax stamp issued by the county
18 treasurer of the county in which the dealer has his or her primary
19 place of business. The tax stamp shall be issued upon payment of a
20 fee of Three Dollars and fifty cents (\$3.50) and shall be in lieu of
21 the dealer's ad valorem tax on the inventories of used motor
22 vehicles or travel trailers but shall not relieve any other property
23 of the dealer from ad valorem taxation.

1 D. Upon sale of a used motor vehicle or travel trailer to
2 another licensed dealer, the selling dealer shall place the tax
3 stamp required in subsection C of this section upon the certificate
4 of title. The used dealer license plate or wholesale dealer license
5 plate shall be removed by the selling dealer. The purchasing dealer
6 shall, at time of purchase, place his or her dealer license plate on
7 the used motor vehicle, travel trailer or commercial trailer as
8 provided in subsection A of this section; provided, for vehicles,
9 travel trailers or commercial trailers purchased by a licensed used
10 dealer at an auction, in lieu of such placement of the dealer
11 license plate, the auction may provide temporary documentation as
12 approved by the Director of the Motor Vehicle Division of the
13 Oklahoma Tax Commission for the purpose of transporting such vehicle
14 to the purchaser's point of destination. Such temporary
15 documentation shall be valid for two (2) days following the date of
16 sale.

17 E. The purchaser of every used motor vehicle, travel trailer or
18 commercial trailer, except as otherwise provided by law, shall
19 obtain registration and title for the vehicle or trailer within
20 thirty (30) days from the date of purchase of same. It shall be the
21 responsibility of the selling dealer to place a temporary license
22 plate, in size similar to the permanent Oklahoma license plate but
23 of a weatherproof plastic-impregnated substance approved by the Used
24 Motor Vehicle and Parts Commission, upon a used motor vehicle,

1 travel trailer or commercial trailer when a transaction is completed
2 for the sale of said vehicle. The temporary license plate under
3 this subsection shall be placed at the location provided for the
4 permanent motor vehicle license plate. The temporary license plate
5 shall show the license number which is issued to the dealer each
6 year by the Oklahoma Tax Commission or the Used Motor Vehicle and
7 Parts Commission, the date the used motor vehicle, travel trailer or
8 commercial trailer was purchased and the company name of the selling
9 dealer. The Used Motor Vehicle and Parts Commission is hereby
10 directed to develop the temporary license plate design to
11 incorporate these requirements in a manner that will permit law
12 enforcement personnel to readily identify the dealer license number
13 and date of the vehicle purchase. The Used Motor Vehicle and Parts
14 Commission is hereby authorized to develop additional requirements
15 and parameters as deemed appropriate to discourage or prevent
16 illegal duplication and use of the temporary license plate. Such
17 temporary license plate shall be valid for a period of thirty (30)
18 days from the date of purchase. Use of the temporary license by a
19 dealer for other than the purposes set forth herein shall constitute
20 grounds for revocation of the dealer's license to conduct business.
21 Purchasers of a commercial trailer shall affix the temporary license
22 plate to the rear of the commercial trailer. The purchaser shall
23 display the temporary license plate for a period not to exceed
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1 thirty (30) days or until registration and title are obtained as
2 provided in this section.

3 The provisions of this subsection on temporary licenses shall
4 apply to nonresidents who purchase a used motor vehicle, travel
5 trailer or commercial trailer within this state that is to be
6 licensed in another state. The nonresident purchaser shall be
7 allowed to operate the vehicle or trailer within the state with a
8 temporary license plate for a period not to exceed thirty (30) days
9 from date of purchase. Any nonresident purchaser found to be
10 operating a used motor vehicle, travel trailer or commercial trailer
11 within this state after thirty (30) days shall be subject to the
12 registration fees of this state upon the same terms and conditions
13 applying to residents of this state.

14 F. It shall be unlawful for any dealer to procure the
15 registration and licensing of any used motor vehicle, travel trailer
16 or commercial trailer sold by the dealer or to act as the agent for
17 the purchaser in the procurement of the registration and licensing
18 of the purchaser's used vehicle, travel trailer or commercial
19 trailer. A license of any dealer violating the provision of this
20 section may be revoked.

21 G. Dealers following the procedure set forth herein shall not
22 be required to register vehicles, travel trailers or commercial
23 trailers to which this section applies, nor will the registration
24 fee otherwise required be assessed. Provided, dealers shall not

1 purchase or trade for a used motor vehicle, travel trailer or
2 commercial trailer on which the registration therefor has been
3 expired for a period exceeding thirty (30) days without obtaining
4 current registration therefor.

5 H. A nonprofit charitable organization which is exempt from
6 taxation pursuant to the provisions of the Internal Revenue Code, 26
7 U.S.C., Section 501(c)(3), and which accepts donations of used motor
8 vehicles previously titled in Oklahoma to be subsequently
9 transferred to another owner, upon the qualifying organization
10 providing sufficient documentation of its tax-exempt status, may
11 obtain from the Oklahoma Tax Commission charitable nonprofit
12 organization license plates for demonstrating, transporting or test-
13 driving donated vehicles. The Tax Commission shall design
14 distinctive license plates for that purpose. The cost for said
15 plates shall be the same as provided in subsection A of this section
16 for dealer plates.

17 I. The transfer of ownership from the vehicle donor to the
18 qualifying nonprofit organization described in subsection H of this
19 section shall be made without the payment of motor vehicle excise
20 tax levied pursuant to Section 2103 of Title 68 of the Oklahoma
21 Statutes.

22 SECTION 2. This act shall become effective November 1, 2016.

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24 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
04/07/2016 - DO PASS, As Amended.