

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT

SECOND REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: February 15, 2022

BILL NUMBER: SB 1177 **STATUS AND DATE OF BILL:** Introduced 11/12/2021

AUTHORS: House N/A Senate Simpson

TAX TYPE (S): Administration **SUBJECT:** Other

PROPOSAL: Amendatory

The measure proposes to amend 47 O.S. § 6-127 by requiring the Department of Public Safety (DPS), when applicable, to include on the front or back of the driver license or identification card a numerical designation indicating a 100% disability rating granted by the United States Department of Veterans Affairs. It also entitles the current spouse of a 100% disabled veteran or a surviving spouse of a 100 % deceased veteran who has not remarried, to receive a driver license or identification card indicating his or her status as an eligible persons entitled to the exemption provided in Oklahoma Statutes. It further states that the presentation of veteran status and disability rating on the driver license or identification card shall be adequate confirmation for purposes of veterans benefits offered by public or private entities doing business within the state and no further documentation shall be required except as specifically mandated by federal law. The bill also requires the DPS and the Oklahoma Department of Veterans Affairs to implement, no later than July 1, 2023, a technology-based information exchange process where the DPS and all motor license agents are able to validate, upon application for issuance or renewal of the driver license or identification card, an applicant's claim of veteran status, veteran disability status, status as a current spouse of an eligible disabled veteran, or status as an eligible surviving spouse of an eligible deceased disabled veteran as provided for in subsection A of Section 6-127.

EFFECTIVE DATE: Emergency – Upon Passage and Approval

REVENUE IMPACT:

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

FY 23: None

Feb. 15, 2022
DATE

Rick Miller
DIVISION DIRECTOR

bjs

2/15/2022
DATE

Huan Gong
HUAN GONG, ECONOMIST

2/15/2022
DATE

[Signature]
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.

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Administrative Concerns

Under current law, a household member¹, such as a spouse or other person residing with the qualified veteran or a surviving spouse, may make purchases on behalf of the qualified person. Qualified 100% disabled veterans may obtain an additional exemption card for utilization by a spouse or other household member who is authorized by the veteran or a surviving spouse to make exempt purchases on the qualified person behalf by filing a completed Form 13-55 available on the OTC website www.tax.ok.gov.

The proposal does not provide for household members to obtain the same designation on their driver license or identification card to present to confirm exemption eligibility status. Therefore, OTC would still issue exemption cards to those eligible persons making purchases for the qualified veteran or surviving spouse. Consequently, vendors will have two forms (Driver license/identification cards and exemption cards) of recognition for purposes of confirming eligible veteran's statutory benefits. Additionally, qualified 100% disabled exemptions provided in Oklahoma Statutes would need to be amended to coincide with the proposal.

¹ Pursuant to Section 1357 (34) (b) Sales for the benefit of an eligible person to a spouse of the eligible person or to a member of the household in which the eligible person resides and who is authorized to make purchases on the person's behalf, when such eligible person is not present at the sale, shall also be exempt for purposes of this paragraph.