

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 59<sup>th</sup> Legislature

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

**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.