

BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	HB2973
Version:	SAHB
Request Number:	
Author:	Rep. West (Rick)
Date:	4/29/2024
Impact:	FY25: \$792,259.50
	FY26: \$1,188,389.26

Research Analysis

Pending

Prepared By: House Research Staff

Fiscal Analysis

In its current form, 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 a legal guardian and a child.

Analysis by Service Oklahoma:

Fiscal Impact Report: According to research done by the Pew Charitable Trusts, a national average of four percent (4%) of children in nonparental care were the subject of a minor guardianship action from 2017 through 2021. Assuming a 100% adoption rate of this new provision, it is estimated that there will be a four percent (4%) 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 \$1,188,389.26 to excise tax calculations.

HB2973 has a November 1, 2024 effective date. Accordingly, the impact for FY2025 is estimated at \$792,259.50 (\$1,188,389.26/12 x 8) followed by the full reduction for FY2026.

Prepared By: Zach Penrod

Other Considerations

None.