

SENATE CHAMBER
STATE OF OKLAHOMA

DISPOSITION

FLOOR AMENDMENT

No. 1

COMMITTEE AMENDMENT

(Date)

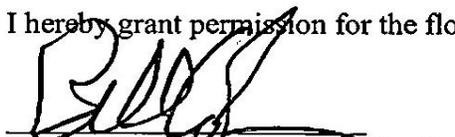
I move to amend Senate Bill No. 529, by substituting the attached floor substitute (# 1970) for the title, enacting clause and entire body of the measure.

Submitted by:

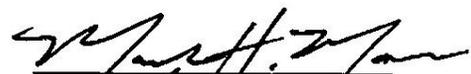


Senator Sacchieri

I hereby grant permission for the floor substitute to be adopted.

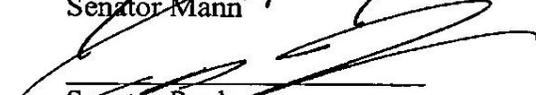


Senator Coleman, Chair (required)



Senator Mann

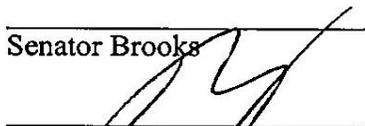
Senator Alvord



Senator Pugh

Senator Brooks

Senator Reinhardt



Senator Grellner



Senator Standridge



Senator Guthrie

Senator Weaver

Senator Paxton, President Pro Tempore

Senator Daniels, Majority Floor Leader

Note: Business and Insurance committee majority requires six (6) members' signatures.

Sacchieri-CAD-FA-SB529
3/26/2025 12:55 PM

(Floor Amendments Only)

Date and Time Filed: 3/26/25 1:47pm 

Untimely

Amendment Cycle Extended

Secondary Amendment

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 FLOOR SUBSTITUTE
4 FOR

5 SENATE BILL NO. 529

6 By: Sacchieri of the Senate

7 and

8 Boles of the House

9 FLOOR SUBSTITUTE

10 An Act relating to used motor vehicle and parts
11 dealers; amending 68 O.S. 2021, Section 2105, as
12 amended by Section 1, Chapter 71, O.S.L. 2023 (68
13 O.S. Supp. 2024, Section 2105), which relates to
14 exceptions; defining terms; allowing annual
15 application by certain retailer to Oklahoma Tax
16 Commission; allowing certain exception upon certain
17 receipt of application; providing for promulgation of
18 rules; updating statutory reference; allowing for
19 exception to certain excise tax; providing for
20 codification; and providing an effective date.

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

22 SECTION 1. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 589 of Title 47, unless there is
24 created a duplication in numbering, reads as follows:

A. As used in this section:

1 1. "Exempt used powersports vehicle retailer" means a used
2 powersports vehicle retailer designated by the Oklahoma Tax
3 Commission pursuant to subsection B of this section;

4 2. "Used powersports vehicle" means any used motorcycle,
5 scooter, moped, all-terrain vehicle, or utility vehicle required to
6 be registered under the Oklahoma Vehicle License and Registration
7 Act, with the exception of all-terrain vehicles, utility vehicles,
8 and motorcycles used exclusively for off-road use which are sold by
9 a retail implement dealer, as defined in Section 581 of Title 47 of
10 the Oklahoma Statutes; and

11 3. "Used powersports vehicle retailer" means any person, firm,
12 or corporation, resident or nonresident, that is in the business of
13 selling any used powersports vehicles except for retail implement
14 dealers.

15 B. A used powersports vehicle retailer engaged in business in
16 this state may make application annually to the Oklahoma Tax
17 Commission to be designated an exempt used powersports vehicle
18 retailer. Such application shall demonstrate that the primary
19 source of revenue for such retailer is used powersport vehicles.
20 The Tax Commission, upon receipt of such application, shall confirm
21 such application and shall grant such designation for a period of
22 one (1) year.

23 C. The Tax Commission shall have the authority to promulgate
24 rules to enact the provisions of this act.

1 SECTION 2. AMENDATORY 68 O.S. 2021, Section 2105, as
2 amended by Section 1, Chapter 71, O.S.L. 2023 (68 O.S. Supp. 2024,
3 Section 2105), is amended to read as follows:

4 Section 2105. An original or a transfer certificate of title
5 shall be issued without the payment of the excise tax levied by
6 Section 2101 et seq. of this title for:

7 1. Any vehicle owned by a nonresident person who operates
8 principally in some other state but who is in Oklahoma only
9 occasionally;

10 2. Any vehicle brought into this state by a person formerly
11 living in another state, who has owned and registered the vehicle in
12 such other state of residence at least sixty (60) days prior to the
13 time it is required to be registered in this state; provided,
14 however, this paragraph shall not apply to businesses engaged in
15 renting cars without a driver;

16 3. Any vehicle registered by this state, by any of the
17 political subdivisions thereof, or by a fire department organized
18 pursuant to Section 592 of Title 18 of the Oklahoma Statutes to be
19 used for the purposes of the fire department, or a vehicle which is
20 the subject of a lease or lease-purchase agreement executed between
21 the person seeking an original or transfer certificate of title for
22 the vehicle and a municipality, county, school district, or fire
23 protection district. The person seeking an original or transfer
24 certificate of title shall provide adequate proof that the vehicle

1 is subject to a lease or lease-purchase agreement with a
2 municipality, county, school district, or fire protection district
3 at the time the excise tax levied would otherwise be payable.
4 Service Oklahoma shall have the authority to determine what
5 constitutes adequate proof as required by this section;

6 4. Any vehicle, the legal ownership of which is obtained by the
7 applicant for a certificate of title by inheritance. For the
8 purposes of this section, "inheritance" means any transfer from a
9 deceased individual to the direct successor in interest of the
10 decedent without consideration, whether through probate,
11 administration, inter vivos trust, transfer-on-death designation, or
12 joint ownership;

13 5. Any used motor vehicle, travel trailer, or commercial
14 trailer which is owned and being offered for sale by a person
15 licensed as a dealer to sell the same, under the provisions of the
16 Oklahoma Vehicle License and Registration Act:

- 17 a. if such vehicle, travel trailer, or commercial trailer
18 has been registered in Oklahoma and the excise tax
19 paid thereon, or
- 20 b. when such vehicle, travel trailer, or commercial
21 trailer has been registered in some other state but is
22 not the latest manufactured model.

23 Provided, the provisions of this paragraph shall not be
24 construed as allowing an exemption to any person not licensed as a

1 dealer of used motor vehicles, travel trailers, or commercial
2 trailers, or as an automotive dismantler and parts recycler in this
3 state;

4 6. Any vehicle which was purchased by a person licensed to sell
5 new or used motor vehicles in another state if:

6 a. such vehicle is not purchased for operation or resale
7 in this state, and

8 b. the state from which the dealer is licensed offers
9 reciprocal privileges to a dealer licensed in this
10 state, pursuant to a reciprocal agreement between the
11 duly authorized agent of Service Oklahoma and the
12 licensing state;

13 7. Any vehicle, the ownership of which was obtained by the
14 lienholder or mortgagee under or by foreclosure of a lien or
15 mortgage in the manner provided by law or to the insurer under
16 subrogated rights arising by reason of loss under an insurance
17 contract;

18 8. Any vehicle which is taxed on an ad valorem basis;

19 9. Any vehicle or motor vehicle, the legal ownership of which
20 is obtained by transfers:

21 a. from one corporation to another corporation pursuant
22 to a reorganization. As used in this subparagraph,
23 the term "reorganization" means:

24 (1) a statutory merger or consolidation, or

1 (2) the acquisition by a corporation of substantially
2 all of the properties of another corporation when
3 the consideration is solely all or a part of the
4 voting stock of the acquiring corporation, or of
5 its parent or subsidiary corporation,

6 b. in connection with the winding up, dissolution, or
7 liquidation of a corporation only when there is a
8 distribution in kind to the shareholders of the
9 property of such corporation,

10 c. to a corporation where the former owners of the
11 vehicle or motor vehicle transferred are, immediately
12 after the transfer, in control of the corporation, and
13 the stock or securities received by each is
14 substantially in proportion to the interest in the
15 vehicle or motor vehicle prior to the transfer,

16 d. to a partnership if the former owners of the vehicle
17 or motor vehicle transferred are, immediately after
18 the transfer, members of such partnership and the
19 interest in the partnership received by each is
20 substantially in proportion to the interest in the
21 vehicle or motor vehicle prior to the transfer,

22 e. from a partnership to the members thereof when made in
23 the dissolution of such partnership,
24

- 1 f. to a limited liability company if the former owners of
2 the vehicle or motor vehicle transferred are,
3 immediately after the transfer, members of the limited
4 liability company and the interest in the limited
5 liability company received by each is substantially in
6 proportion to the interest in the vehicle or motor
7 vehicle prior to the transfer, or
- 8 g. from a limited liability company to the members
9 thereof when made in the dissolution of such
10 partnership;

11 10. Any vehicle which is purchased by a person to be used by a
12 business engaged in renting motor vehicles without a driver,
13 provided:

- 14 a. the vehicle shall not be rented to the same person for
15 a period exceeding ninety (90) days,
- 16 b. any such vehicle exempted from the excise tax by these
17 provisions shall not be placed under any type of lease
18 agreement,
- 19 c. on any such vehicle exempted from the excise tax by
20 this paragraph that is reregistered in this state,
21 without a prior sale or transfer to the persons
22 specified in divisions (1) and (2) of this
23 subparagraph, at any time prior to the expiration of
24 twelve (12) months from the date of issuance of the

1 original title, the seller shall pay immediately the
2 amount of excise tax which would have been due had
3 this exemption not been granted plus a penalty of
4 twenty percent (20%). No such excise tax or penalty
5 shall become due and payable if the vehicle is sold or
6 transferred in a condition either physical or
7 mechanical which would render it eligible for a
8 salvage title pursuant to law or if the vehicle is
9 sold and transferred in this state at any time prior
10 to the expiration of twelve (12) months:

11 (1) to the manufacturer of the vehicle or its
12 controlled financing arm, or

13 (2) to a factory authorized franchised new motor
14 vehicle dealer which holds a franchise of the
15 same line-make of the vehicle being purchased, or

16 d. when this exemption is claimed, Service Oklahoma shall
17 issue a special title which shall restrict the
18 transfer of the title only within this state prior to
19 the expiration of twelve (12) months unless:

20 (1) payment of the excise tax plus penalty as
21 provided in this section is made,

22 (2) the sale is made to a person specified in
23 division (1) or (2) of subparagraph c of this
24 paragraph, or

1 (3) the vehicle is eligible for a salvage title.

2 For all other tax purposes vehicles herein exempted shall be
3 treated as though the excise tax has been paid;

4 11. Any vehicle of the latest manufactured model, registered
5 from a title in the name of the original manufacturer or assigned to
6 the original manufacturer and issued by any state and transferred to
7 a licensed, franchised Oklahoma motor vehicle dealer, as defined by
8 Section 1102 of Title 47 of the Oklahoma Statutes, which holds a
9 franchise of the same line-make as the vehicle being registered;

10 12. Any new motor vehicle, registered in the name of a
11 manufacturer or dealer of new motor vehicles, for which a license
12 plate has been issued pursuant to Section 1116.1 of Title 47 of the
13 Oklahoma Statutes, if such vehicle is authorized by the manufacturer
14 or dealer for personal use by an individual. The authorization for
15 such use shall not exceed four (4) months which shall not be renewed
16 or the exemption provided by this paragraph shall not be applicable.
17 The exemption provided by this paragraph shall not be applicable to
18 a transfer of ownership or registration subsequent to the first
19 registration of the vehicle by a manufacturer or dealer;

20 13. Any vehicle, travel trailer, or commercial trailer of the
21 latest manufacturer model purchased by a franchised Oklahoma dealer
22 licensed to sell the same which holds a franchise of the same line-
23 make as the vehicle, travel trailer, or commercial trailer being
24 registered;

1 14. Any vehicle which is the subject of a lease or lease-
2 purchase agreement and which the ownership of such vehicle is being
3 obtained by the lessee, if the vehicle excise tax was paid at the
4 time of the initial lease or lease-purchase agreement;

5 15. Any vehicle which:

6 a. is purchased by a private, nonprofit organization
7 which is exempt from taxation pursuant to the

8 provisions of Section 501(c)(3) of the Internal
9 Revenue Code of 1986, as amended, 26 U.S.C., Section
10 501(c)(3), and which is primarily funded by a

11 fraternal or civic service organization with at least
12 one hundred local chapters or clubs, and

13 b. is designed and used to provide mobile health
14 screening services to the general public at no cost to
15 the recipient, and for which no reimbursement of any
16 kind is received from any health insurance provider,
17 health maintenance organization, or governmental
18 program;

19 16. Any vehicle which is purchased by an individual who has
20 been honorably discharged from active service in any branch of the
21 Armed Forces of the United States or Oklahoma National Guard and who
22 has been certified by the United States Department of Veterans
23 Affairs, its successor, or the Armed Forces of the United States to
24 be a disabled veteran in receipt of compensation at the one-hundred-

1 percent rate for a permanent disability sustained through military
2 action or accident resulting from disease contracted while in such
3 active service and registered with the veterans registry created by
4 the Oklahoma Department of Veterans Affairs; provided, that if the
5 veteran has previously received exemption pursuant to this
6 paragraph, no registration with the veterans registry shall be
7 required. This exemption may not be claimed by an individual for
8 more than one vehicle in a consecutive three-year period, unless the
9 vehicle is a replacement for a vehicle which was destroyed and
10 declared by the insurer to be a total loss claim. Service Oklahoma
11 shall promulgate any rules necessary to implement the provisions of
12 this section; ~~or~~

13 17. Any vehicle on which ownership is transferred by a
14 reposessor directly back to the owner or owners from whom the
15 vehicle was repossessed; provided, ownership shall be assigned by
16 the reposessor within thirty (30) days of issuance of the
17 repossession title and shall be identical to that reflected in the
18 vehicle title record immediately prior to the repossession; or

19 18. Any used powersports vehicle purchased from an exempt used
20 powersports vehicle retailer designated pursuant to Section 1 of
21 this act.

22 SECTION 3. This act shall become effective November 1, 2025.

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24 60-1-1970 CAD 3/26/2025 2:05:01 PM

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