

NEW LAW RAISES PENALTY TO \$1 A DAY FOR DRIVERS WHO REGISTER THEIR VEHICLES LATE

Tag late fees raise \$9.5 million

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A new law that increases the penalties for late renewal of state license plate tags is helping to boost state coffers.

Since the law took effect July 1, the state Tax Commission has collected \$9.5 million in late registration penalties and late excise taxes. Under the previous rules, commission officials estimate they would have collected about one-fourth of that amount in an entire year.

The law, passed by the Legislature earlier this year, increased the late fee for tags to \$1 a day from 25 cents a day. The new law also increased the penalty cap to \$100 from \$25.

The amount collected in the past six months is the highest it's been in recent memory, said Michelle Thompson, spokeswoman for the Tax Commission. Since many people aren't aware of the new law, many are paying the maximum penalty in addition to the cost of their vehicle tags.

Officials expect the amount of late fees and ex-

cise tax to remain high for the next year as the public becomes aware of the law.

"Those individuals that are consistently late will not want to pay the larger late fee again next year," Thompson said.

Data from the Tax Commission show plenty of people are paying the increased late fee this year. From Nov. 30 to Dec. 15, 35,997 people renewed their tags late and paid a penalty fee. During that time, the state collected \$1.04 million. Vehicle owners generally have until the end of the month

when their tags are due to renew. After that, a penalty is applied.

Lawmakers proposed the new rules as a way to make more people comply with the renewal fees on their tags. Thompson said data from the motor vehicle registration division show that typically the same individuals are late each year.

While the new rules are hitting vehicle owners in the pocketbook, they are benefiting several state funds. Of the \$9.5 million that has been collected, \$4.7 million has been de-

posited into the general revenue fund. Tag agents have kept \$2.38 million. Roughly \$2.38 million has been split among various entities included in the Rural Economic Action Plan, such as school districts, a county road and bridge repair fund and the Law Enforcement Retirement Fund.

After this fiscal year, which ends June 30, the state Highway Construction and Maintenance Fund will get the portion of the money that is currently going into the general revenue fund.

Side notes: not in article

\$9.5 Million in 6 months

Expected to remain high for another year

1 year at \$9.5 Million per 6 month period = \$19 Million

18 months at \$9.5 Million per 6 month period = \$28.5 Million

2 years at \$9.5 Million per 6 month period = \$38 Million

It is okay if the Okla Tax Commission takes money: they just don't want to follow the 14-year old law to honor tax credits for those honest, hardworking Oklahoma Taxpayers who chose to purchase an energy efficient, environmentally friendly electric vehicle.?

How can it be fair if Oklahoma or any other state takes this kind of position?