



# MEMO

Tax Policy and Research Division

Date: May 17, 2022

To: Rick Miller, Director *RYM*  
Tax Policy & Research Division

From: Marc Morrison  
Tax Policy Analyst

Subject: Proposed Committee Substitute for SB 1075

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This is in response to the request for a revenue impact for the Proposed Committee Substitute for SB 1075, which proposes to amend 68 O.S. §§ 1355 and 1404 to eliminate the 1.25% sales tax levied on motor vehicle transfers.

Based on the February 2022 Forecast<sup>1</sup>, total 1.25% motor vehicle sales tax collections of \$188,329,000 is projected for FY 23. The measure proposes an effective date of July 1, 2022. A decrease in motor vehicles sales tax revenues of \$188,329,000 is estimated for FY 23.

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<sup>1</sup> Oklahoma Tax Commission – Revenue Forecast for FY 23, February 15, 2022.

