

**TITLE 710. OKLAHOMA TAX COMMISSION
CHAPTER 22. BOATS AND MOTORS**

RULEMAKING ACTION:

Notice of proposed PERMANENT rulemaking.

PROPOSED RULES:

Subchapter 5. Procedures for Registration

710:22-5-10 [NEW]

Subchapter 7. Titles

710:22-7-14 [NEW]

SUMMARY:

New Section 710:22-5-10 has been added to implement Section 1 of Senate Bill 1178 of the 51st Legislature, 2nd Regular Session, which authorizes the Oklahoma Tax Commission to record and maintain tribal vessel registration.

New Section 710:22-7-14 has been added to clarify policy regarding the application process for ownership of abandoned vessels or outboard motors.

AUTHORITY:

Oklahoma Tax Commission; 68 O.S. § 203; 63 O.S. §§ 4004, 4030.

COMMENT PERIOD:

Persons wishing to make written submissions may do so by 4:30 p.m., February 17, 2009, to the Oklahoma Tax Commission, Tax Policy and Research Division, 2501 North Lincoln Boulevard, Oklahoma City, Oklahoma 73194. Those wishing to make oral comments at the public hearing should request placement on the docket well in advance of the hearing date, by calling Pat McDonald at (405) 521-3133.

PUBLIC HEARING:

A public hearing will be held to provide an additional means by which suggestions may be offered on the content of the proposed rules. Time, Date and Place of the hearing are as follows: February 18, 2009, 2:00 p.m. in the 4th floor hearing room at the Oklahoma Tax Commission, 2501 Lincoln Blvd., Oklahoma City, Oklahoma. In order to facilitate entry into the building, those wishing to appear should contact Pat McDonald at (405) 521-3133 at least 24 hours prior to the hearing date to complete their visitor pre-registration. Entry to the M.C. Connors' building must be made through the doors located on the east side of the building. In order to gain access to the 4th floor hearing room, attendees must register at the information desk in the lobby by presenting a driver's license or other photo identification. A name badge and floor access card will be issued once registration is completed.

Time limitations may be imposed on oral presentations to ensure that all persons who have filed written requests for placement on the docket will have an opportunity to speak.

REQUEST FOR COMMENTS FROM BUSINESS ENTITIES:

Although nothing in this rulemaking action has been determined to adversely impact small business, the Oklahoma Tax Commission (OTC) requests that, pursuant to 75 O.S. § 303(B)(6), business entities affected by these rules provide the OTC, within the comment period, in dollar amounts, if possible, information on any increase in direct costs, such as fees, and indirect costs, such as those associated with reporting, recordkeeping, equipment, construction, labor, professional services, revenue loss, or other costs expected to be incurred by a particular entity due to compliance with the proposed Rules.

COPIES OF PROPOSED RULES:

Interested persons may inspect proposed rules at the offices of the Oklahoma Tax Commission, Tax Policy Division, 5th floor, M. C. Connors Building, 2501 North Lincoln

Boulevard, Oklahoma City, Oklahoma. Copies of proposed rules may be viewed online at www.oktax.state.ok.us or obtained without charge from the Oklahoma Tax Commission, Tax Policy and Research Division, 2501 North Lincoln Boulevard, Oklahoma City, Oklahoma 73194.

RULE IMPACT STATEMENT:

A Rule Impact Statement will be prepared and will be available for review from and after January 30, 2009, from the same source listed above for obtaining copies of proposed rules.

CONTACT PERSON:

Lisa R. Haws, Agency Liaison. Phone: 405-521-3133; FAX: 405-522-0063; Email: lhaws@oktax.state.ok.us

CHAPTER 22. BOATS AND MOTORS

SUBCHAPTER 5. PROCEDURES FOR REGISTRATION

710:22-5-10. Tribal vessel registration information integration

(a) Information integration process. Federally recognized Indian tribes registering vessels in this state may provide specific ownership and registration information to the Oklahoma Tax Commission, under parameters established by the Commission. Upon receipt of such properly configured tribal vessel information, the Commission will incorporate it into the general vessel registration database.

(b) Registration numbers provided to tribe. To facilitate the reporting of tribal vessel information to the Commission, the Commission shall provide to the tribe a series of vessel registration numbers, to be distributed by the tribe to its vessel registrants. The vessel registration numbers will be assigned to the tribe following receipt by the Commission of the tribe's written request to participate in the vessel registration information reporting program.

(c) Information required from tribe. The extent of ownership and registration information provided for each vessel is to be in accordance with regulatory requirements of the United States Coast Guard and is to include:

- (1) Name and complete address of vessel owner;
- (2) Hull Identification Number (HIN) of vessel;
- (3) Vessel Registration Number assigned to the vessel by the tribe;
- (4) Year, make and model of vessel;
- (5) Horsepower of motor, when applicable (i.e. inboard or inboard/outboard);
- (6) Length of vessel, expressed in feet and inches;
- (7) Use, type, hull material, propulsion type and fuel type, provided pursuant to accepted United States Coast Guard terminology and utilizing the Oklahoma Tax Commission's corresponding number coding system;
- (8) Registration expiration, expressed as mmccyy (example: June 2009 = 062009);
- (9) Date of tribal transaction corresponding to the information provided; and
- (10) Tribal name.

(d) Information format. The required vessel information is to be provided to the Commission by the tribe in an electronic format outlined by the Commission. The electronic format requirements shall be made available by the Commission in printed form and provided to any requestor. In general, and subject to modification as system processes change, the vessel information is to be configured as follows:

- (1) File Transfer Protocol (FTP) transmission format; and
- (2) Flat file; text format; fixed block records.

(e) Information reporting schedule. Within ninety (90) days of being provided vessel registration numbers by the Commission, the tribe will provide to the Commission an electronic copy of the tribe's complete current vessel registration file. Thereafter, updates to the file are to be provided to the Commission by the tribe at least every thirty (30) days. At the option of the tribe, the file updates may contain either the entire vessel file, intended to completely replace all earlier information submitted by the tribe, or contain only vessel records that have been changed/updated since submission of the previous file.

(f) Records correction. It shall be the responsibility of the tribe to immediately provide to the Commission corrections to any inaccurate vessel information previously submitted to the Commission.

(g) **File records retention.** The Commission will retain individual tribal vessel registration information in the database until the registration for any vessel reflects a delinquent expiration of at least six (6) months.

(h) **Failure to properly report.** It shall be the responsibility of the tribe to report vessel information under the conditions outlined above. Should a tribe fail to comply with the information reporting guidelines outlined above, the Commission may, at its discretion, delete the tribe's vessel information from the Commission computer file and/or deny requests of the tribe for additional vessel registration numbers.

SUBCHAPTER 7. TITLES

710:22-7-14. Abandoned vessels or outboard motors

When a boat or outboard motor is found abandoned with no known owner, the finder may apply for ownership by submitting a statement of facts to the Oklahoma Tax Commission, detailing where, when and under what circumstances the boat or outboard motor was found abandoned. The Commission will forward the appropriate information to the Oklahoma Department of Public Safety and request their inspection of the boat or outboard motor. Upon completion of the inspection and issuance of a DPS letter of clearance, the Commission will issue titling instructions to the applicant.