

STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

HOUSE JOINT  
RESOLUTION NO. 1007

BY: CROCKER and BASTIN

AS INTRODUCED

A JOINT RESOLUTION DIRECTING THE SECRETARY OF STATE TO REFER TO THE PEOPLE FOR THEIR APPROVAL OR REJECTION A PROPOSED AMENDMENT TO SECTION 6 OF ARTICLE X OF THE CONSTITUTION OF THE STATE OF OKLAHOMA AND A PROPOSED AMENDMENT TO THE CONSTITUTION OF THE STATE OF OKLAHOMA BY ADDING A NEW SECTION TO ARTICLE X TO BE DESIGNATED AS SECTION 8A; PROVIDING FOR THE EXEMPTION OF ALL HOUSEHOLD AND CERTAIN AGRICULTURAL PERSONAL PROPERTY FROM AD VALOREM TAXATION; PROVIDING EFFECTIVE DATE; PROVIDING FOR CERTAIN ADJUSTED MILLAGE RATES; PROVIDING FOR COMPUTATION OF SUCH RATES; PROVIDING FOR CERTAIN MODIFICATION OF CERTAIN MAXIMUM MILLAGE RATES; PROVIDING EFFECTIVE DATE; PROVIDING BALLOT TITLE; AND DIRECTING FILING.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE:

SECTION 1. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to Section 6 of Article X of the Constitution of the State of Oklahoma and the following proposed amendment to Article X of the Oklahoma Constitution by adding a new Section 8A to read as follows:

Section 6. All property used for free public libraries, free museums, public cemeteries, property used exclusively for nonprofit schools and colleges, and all property used exclusively for religious and charitable purposes, and all property of the United States except property for which a federal agency obtains title

through foreclosure, voluntary or involuntary liquidation or bankruptcy unless the taxation of such property is prohibited by federal law; all property of this state, and of counties and of municipalities of this state; all household goods of the heads of families, and household personal property of any kind; all agricultural tools, implements, and livestock employed in the support of the family, not exceeding One Hundred Dollars (\$100.00) in value, and all growing crops, shall be exempt from taxation: Provided, that all property not herein specified now exempt from taxation under the laws of the Territory of Oklahoma, shall be exempt from taxation until otherwise provided by law.

All property owned by the Murrow Indian Orphan Home, located in Coal County, and all property owned by the Whitaker Orphan Home, located in Mayes County, so long as the same shall be used exclusively as free homes or schools for orphan children, and for poor and indigent persons, and all fraternal orphan homes, and other orphan homes, together with all their charitable funds, shall be exempt from taxation, and such property as may be exempt by reason of treaty stipulations, existing between the Indians and the United States government, or by federal laws, during the force and effect of such treaties or federal laws. The Legislature may authorize any incorporated city or town, by a majority vote of its electors voting thereon, to exempt manufacturing establishments and public utilities from municipal taxation, for a period not exceeding five (5) years, as an inducement to their location.

If approved by the people, the amendment to this section shall become effective January 1, 1993.

Section 8A. (a) For the fiscal year beginning July 1, 1993, the millage rate levied against the net taxable valuation of all property of each taxing jurisdiction levying ad valorem taxes for a general fund or a building fund shall be adjusted pursuant to the provisions of subsection (b) of this section to compensate for the

potential loss of revenue to the taxing jurisdiction directly attributable to the exemption of all household personal property and agricultural personal property as provided in Section 6 of this article. For purposes of this section, "taxing jurisdiction" shall include, but not be limited to, counties, cities, towns, common school districts, vocational-technical school districts and any other unit of government authorized to collect ad valorem taxes from millage levied against the taxable value of property.

(b) The adjusted millage rate for each specified fund of each taxing jurisdiction shall be computed by calculating the total amount of revenue authorized to be collected from the millage rate levied in the fiscal year beginning July 1, 1992, against the net taxable valuation of all property within the taxing jurisdiction and dividing such amount by a denominator equal to the total net taxable valuation of all property within the taxing jurisdiction which is subject to taxation as of January 1, 1993. The resulting quotient shall be the adjusted millage rate for the specified fund of the taxing jurisdiction which shall be levied against the net taxable valuation of all property within such jurisdiction for the fiscal year beginning July 1, 1993, and all subsequent fiscal years; provided, such adjusted millage rate may be increased or decreased in the manner provided by the provisions of this article.

(c) For the fiscal year beginning July 1, 1993, and for each fiscal year thereafter, the maximum allowable millage for any millage levied by any taxing jurisdiction for a general fund or building fund, as prescribed by Sections 9, 9A, 9B, 9C, 9D, 10, 10A, 10B and 35 of this article or as otherwise authorized by Section 36 of Article V of the Oklahoma Constitution, shall be modified as follows:

(1) If the adjusted millage rate for a taxing jurisdiction, as provided in subsection (b) of this section, exceeds the maximum allowable millage for any particular millage levied by such taxing

jurisdiction for a general fund or building fund, then the adjusted millage rate shall be the maximum allowable millage for that particular millage levied by such taxing jurisdiction for a general fund or building fund; and

(2) If the adjusted millage rate for a taxing jurisdiction, as provided in subsection (b) of this section, is equal to or less than the maximum allowable millage for any particular millage levied by such taxing jurisdiction for a general fund or building fund, then the maximum allowable millage shall be the rate prescribed by the applicable section of Article X of the Oklahoma Constitution or as authorized by law pursuant to Section 36 of Article V of the Oklahoma Constitution.

(d) If approved by the people, this section shall become effective January 1, 1993.

SECTION 2. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 1 of this resolution shall be in the following form:

BALLOT TITLE

Legislative Referendum No. \_\_\_\_\_ State Question No. \_\_\_\_\_

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends the Oklahoma Constitution. It amends Section 6 of Article 10. It adds a new Section 8A to Article 10. It would exempt all household and farm-related personal property from ad valorem taxation. It would provide for an adjusted millage rate for each taxing entity of this state. This adjusted millage rate would make up for the potential lost revenue to such entity because of the household and farm-related personal property exemption. If the adjusted millage rate exceeds the existing millage rate cap, then the adjusted rate becomes the new millage rate cap. This measure would be effective January 1, 1993.

SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

/ YES, FOR THE AMENDMENT

  / NO, AGAINST THE AMENDMENT

SECTION 3. The Chief Clerk of the House of Representatives, immediately after the passage of this resolution, shall prepare and file one copy thereof, including the Ballot Title set forth in SECTION 2 hereof, with the Secretary of State and one copy with the Attorney General.

43-1-5714

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