

STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

SENATE BILL NO. 381

BY: BROWN of the SENATE

and

CROCKER of the HOUSE

AS INTRODUCED

AN ACT RELATING TO REVENUE AND TAXATION; AMENDING 68

O.S. 1981, SECTION 2463, AS LAST AMENDED BY SECTION 1, CHAPTER 212, O.S.L. 1990 AND SECTION 64, CHAPTER 162, O.S.L. 1988, AS AMENDED BY SECTION 2, CHAPTER 212, O.S.L. 1990 (68 O.S. SUPP. 1990, SECTIONS 2463 AND 2864), WHICH RELATE TO THE AD VALOREM TAX CODE; DELETING CERTAIN REQUIREMENT RELATED TO DETERMINATION OF THE ASSESSMENT RATIO FOR CERTAIN PROPERTY; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY 68 O.S. 1981, Section 2463, as last amended by Section 1, Chapter 212, O.S.L. 1990 (68 O.S. Supp. 1990, Section 2463), is amended to read as follows:

Section 2463. ~~A.~~ The Governor, State Auditor and Inspector, State Treasurer, Lieutenant Governor, Attorney General, Superintendent of Public Instruction and President of the Board of

Agriculture shall constitute the State Board of Equalization, and said State Board of Equalization must hold a session at the Capitol of the state, commencing at ten o'clock a.m. on December 1, or the first working day thereafter of each year for the purpose of equalizing the property of the several counties for the next following assessment year. The State Auditor and Inspector shall notify all other members of said Board of the time and place of said annual session as herein required. The Governor shall serve as Chairman and the State Auditor and Inspector shall serve as Secretary of said Board, and a vice-chairman shall be elected from the other members. In case of the absence or failure of said Chairman and Secretary, or either of them, to so act on the statutory meeting date, any four or more members thereof shall proceed on said date to conduct the Board's session and carry on its work as herein required, provided, that any official action by said Board shall require approval by a majority of all members of the Board. It shall be the duty of said State Board to examine the various county assessments and to equalize, correct and adjust the same as between the counties by determining the ratio of the aggregate assessed value of the property or any class thereof, in any or all of them, to the fair cash value thereof as herein defined, and to order and direct the assessment rolls of any county in this state to be so corrected as to adjust and equalize the valuation of the real and personal property of the several counties during the next succeeding assessment year.

~~B. In determining the assessment ratio for all air carrier property and all railroad property, the State Board shall only consider the ratio of the aggregate assessed value to the fair cash value of the locally assessed commercial/industrial real property of the state.~~

SECTION 2. AMENDATORY Section 64, Chapter 162, O.S.L. 1988, as amended by Section 2, Chapter 212, O.S.L. 1990 (68 O.S. Supp. 1990, Section 2864), is amended to read as follows:

Section 2864. A. The Governor, State Auditor and Inspector, State Treasurer, Lieutenant Governor, Attorney General, Superintendent of Public Instruction and President of the Board of Agriculture shall constitute the State Board of Equalization, and the State Board of Equalization must hold a session at the Capitol of the state, commencing at ten o'clock a.m. on December 1, or the first working day thereafter of each year for the purpose of equalizing the taxable property values of the several counties for the next following assessment year. The State Auditor and Inspector shall notify all other members of said Board of the time and place of said annual session as herein required. The Governor shall serve as chairman and the State Auditor and Inspector shall serve as secretary of said Board, and a vice-chairman shall be elected from the other members. In case of the absence or failure of said chairman and secretary, or either of them, to so act on the statutory meeting date, any four or more members thereof shall proceed on said date to conduct the Board's session and carry on its work as herein required. Any official action by said Board shall require approval by a majority of all members of the Board.

B. It shall be the duty of said State Board to examine the various county assessments and to equalize, correct and adjust the same as between and within the counties by determining the ratio of the aggregate assessed value of the property or any class thereof, in any or all of them, to the fair cash value thereof as herein defined, and to order and direct the assessment rolls of any county in this state to be so corrected as to adjust and equalize the valuation of the real and personal property among the several counties during the next succeeding assessment year.

~~C. In determining the assessment ratio for all air carrier property and all railroad property, the State Board shall only consider the ratio of the aggregate assessed value to the fair cash value of the locally assessed commercial/industrial real property of the state.~~

D. In order to equalize, correct and adjust the various county assessments within the counties as required by this section, the State Board of Equalization shall analyze the relationship between the assessed value and the fair cash value for each use category of real property and separately analyze the relationship between the assessed value and the fair cash value for the agricultural use category, the residential use category and the commercial/industrial use category. If Article X, Section 8 of the Oklahoma Constitution provides for a system in which less than one hundred percent (100%) of value is taxable, the State Board of Equalization shall order any increase or decrease determined by the State Board of Equalization to be necessary for equalization of property values within the county, including, but not limited to, the authority to require an assessment ratio for a use category bearing a specific relationship to the percentage used to determine taxable value of real property in the county for the applicable assessment year. If Article X, Section 8 of the Oklahoma Constitution provides for a system in which one hundred percent (100%) of value is taxable, the State Board of Equalization shall make such order as authorized by Article X, Section 8 of the Oklahoma Constitution.

~~E.~~ D. The State Board of Equalization shall equalize, correct and adjust the various county assessments as between the counties as required by this section by ordering any increase or decrease required as prescribed by this subsection. If Article X, Section 8 of the Oklahoma Constitution provides for a system in which less than one hundred percent (100%) of value is taxable, the State Board of Equalization shall order any increase or decrease required to

comply with the minimum or maximum acceptable assessment ratio in effect for the applicable assessment year. If Article X, Section 8 of the Oklahoma Constitution provides for a system in which one hundred percent (100%) of value is taxable, the State Board of Equalization shall order any increase or decrease required to ensure that the assessment ratio for any county is not less than ninety-two percent (92%) and not greater than one hundred percent (100%) as provided by Article X, Section 8 of the Oklahoma Constitution.

SECTION 3. Section 2 of this act shall become effective January 1, 1992.

SECTION 4. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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