STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

HOUSE BILL NO. 2442 By: Rice

AS INTRODUCED

An Act relating to revenue and taxation; exempting certain pollution control property from ad valorem tax; stating property subject to exemption; providing for proportional exemption; specifying certain property not subject to exemption; defining phrase; providing for application and permit; providing for notice to county assessor; providing for letter of determination; providing for certain fee; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2950 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. A person is entitled to an exemption from taxation of all or part of real and personal property that the person owns and that is used wholly or partly as a facility, device or method for the control of air, water or land pollution. The exemption shall be proportionate to the percentage of property determined to be pollution control property under subsections C and D of this section. A person is not entitled to an exemption from taxation

under this section solely on the basis that the person manufactures or produces a product that prevents, monitors, controls or reduces air, water or land pollution. Property used for residential purposes, or for recreational or park uses, is ineligible for an exemption under this section.

B. As used in this section, "facility, device or method for the control of air, water or land pollution" means land that is acquired after January 1, 1995, or any structure, building, installation, excavation, machinery, equipment or device and any attachment or addition to or reconstruction, replacement or improvement of that property, that is used, constructed, acquired or installed wholly or partly to meet or exceed rules or regulations adopted by any environmental protection agency of the United States, this state or a political subdivision of this state for the prevention, monitoring, control or reduction of air, water or land pollution. This definition and this section does not apply to a motor vehicle.

C. In applying for an exemption under this section, a person seeking the exemption shall present in a permit application or permit exemption request to the executive director of the Department of Environmental Quality information detailing:

1. The anticipated environmental benefits from the installation of the facility, device or method for the control of air, water or land pollution;

2. The estimated cost of the pollution control facility, device or method; and

3. The purpose of the installation of such facility, device or method and the proportion of the installation that is pollution control property.

D. Following submission of the information required by subsection C of this section, the executive director of the Department of Environmental Quality shall determine if the facility, device or method is used wholly or partly as a facility, device or

method for the control of air, water or land pollution. As soon as practicable, the executive director shall send notice by regular mail to the county assessor of the county in which the property is located that the person has applied for a determination under this section. If the executive director determines that the facility, device or method is used wholly or partly to control pollution, the director shall issue a letter to the person stating that determination and the proportion of the installation that is pollution control property.

E. The Department of Environmental Quality may charge a person seeking a determination that property is pollution control property an additional fee not to exceed its administrative costs for processing the information, making the determination and issuing the letter required by this section. The Department of Environmental Quality may adopt rules to implement this section.

F. A person seeking an exemption under this section shall provide to the county assessor a copy of the letter issued by the executive director of the Department of Environmental Quality under subsection D of this section. The county assessor shall accept the copy of the letter from the executive director as conclusive evidence that the facility, device or method is used wholly or partly as pollution control property.

G. This section does not apply to a facility, device or method for the control of air, water or land pollution that is subject to any other tax exemptions under the laws of this state.

H. The exemption provided by this section, once allowed, need not be claimed in subsequent years, and the exemption applies to the property until it changes ownership or the qualification of the property for the exemption changes. However, the county assessor may require a person allowed one of the exemptions in a prior year to file a new application to confirm his current qualification for the exemption by delivering a written notice that a new application

is required, accompanied by an appropriate application form, to the person previously allowed the exemption.

SECTION 2. This act shall become effective January 1, 1995, upon the approval by the people of the constitutional amendment in House Joint Resolution No. ___.

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