

SHORT TITLE: Public finance; combining Ad Valorem Reimbursement
Fund and Fund for Reimbursement of Counties. Effective date.
Emergency.

STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

SENATE BILL NO. 1212

By: Williamson

AS INTRODUCED

An Act relating to public finance; amending 62 O.S. 1991, Section 193, as last amended by Section 1, Chapter 273, O.S.L. 1993 (62 O.S. Supp. 1997, Section 193), which relates to the Ad Valorem Reimbursement Fund; modifying purposes for which monies from Fund may be expended; specifying certain requirements for claims for reimbursement from Fund; deleting obsolete language; specifying priority for payment of claims; directing Director of State Finance to make certain fund transfer; providing for noncodification; repealing 62 O.S. 1991, Sections 192.1, 192.2 and 192.3, which relate to the Fund for Reimbursement of Counties; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 62 O.S. 1991, Section 193, as last amended by Section 1, Chapter 273, O.S.L. 1993 (62 O.S. Supp. 1997, Section 193), is amended to read as follows:

Section 193. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tax Commission to be designated the "Ad Valorem Reimbursement Fund". The fund shall be a continuing

fund, not subject to fiscal year limitations. Monies apportioned to this fund shall be expended ~~to~~:

1. To reimburse counties of this state for loss of revenue due to exemptions of ad valorem taxes for new or expanded manufacturing or research and development facilities; and

2. To reimburse counties of this state for loss of revenue for school district and county purposes due to exemptions granted pursuant to the provisions of Section 2890 of Title 68 of the Oklahoma Statutes.

Provided that it shall be the duty of the Oklahoma Tax Commission to assess the valuation of all property for new or expanded manufacturing or research and development facilities which are exempt from ad valorem taxes.

Monies apportioned to this fund also may be transferred to other state funds as directed by the Legislature by law.

B. The county commissioners of each county seeking reimbursement for lost revenue from the Ad Valorem Reimbursement Fund shall make ~~one claim~~ claims for reimbursement on forms prescribed by the Oklahoma Tax Commission prior to April 30 of each year. Claims for reimbursement for loss of revenue due to exemptions of ad valorem taxes for new or expanded manufacturing or research and development facilities shall be made separately from claims for reimbursement for loss of revenue for school district and county purposes due to exemptions granted pursuant to the provisions of Section 2890 of Title 68 of the Oklahoma Statutes. Provided, the assessed valuation of a school district as stated in the claim for reimbursement shall be the same as reported to the State Department of Education on the Estimate of Need and shall include the total valuation of property exempt from taxation pursuant to Section 2902 of Title 68 of the Oklahoma Statutes. ~~Said~~ The claims shall be either approved or disapproved in whole or in part by the Tax Commission by June 15 of each year. If the Tax Commission

determines that an exemption has been erroneously or unlawfully granted, it shall notify the appropriate county assessor who shall immediately value and assess the property and place it on the rolls for ad valorem taxation. Disbursements from the fund shall be made on warrants issued by the State Treasurer against claims filed by the Tax Commission with the Office of State Finance for payment. ~~For the fiscal year ending June 30, 1988, and for each fiscal year thereafter, such~~ Such disbursements shall be exempt from all agency expenditure ceilings. The county treasurer shall apportion or disburse such funds for expenditures in the same manner as other ad valorem tax collections.

C. In the event monies apportioned to the Ad Valorem Reimbursement Fund are insufficient to pay all claims for reimbursement made pursuant to subsection B of this section, ~~the available~~ claims for reimbursement for loss of revenue due to exemptions of ad valorem taxes for new or expanded manufacturing or research and development facilities shall be paid first, and any remaining funds shall be distributed proportionally among the counties making claims for reimbursement for loss of revenue for school district and county purposes due to exemptions granted pursuant to the provisions of Section 2890 of Title 68 of the Oklahoma Statutes, according to the amount of the claim made by each county.

SECTION 2. On the effective date of this act, the Director of State Finance shall transfer all monies in the Fund for Reimbursement of Counties, created pursuant to the provisions of Section 192.1 of Title 62 of the Oklahoma Statutes, to the Ad Valorem Reimbursement Fund, created pursuant to the provisions of Section 193 of Title 62 of the Oklahoma Statutes.

SECTION 3. The provisions of Section 2 of this act shall not be codified in the Oklahoma Statutes.

SECTION 4. REPEALER 62 O.S. 1991, Sections 192.1, 192.2 and 192.3, are hereby repealed.

SECTION 5. This act shall become effective July 1, 1998.

SECTION 6. 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.

46-2-2348 CD