

STATE OF OKLAHOMA

1st Session of the 47th Legislature (1999)

SENATE BILL NO. 321

By: Weedn

AS INTRODUCED

An Act relating to revenue and taxation; amending Section 3, Chapter 304, O.S.L. 1997 (68 O.S. Supp. 1998, Section 2802.1), which relates to ad valorem taxes; modifying definition; and providing an effective date.

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

SECTION 1. AMENDATORY Section 3, Chapter 304, O.S.L. 1997 (68 O.S. Supp. 1998, Section 2802.1), is amended to read as follows:

Section 2802.1 A. For purposes of implementing Section 8B of Article X of the Oklahoma Constitution:

1. "Any person" means any person or entity, whether real or artificial, other than the present owner;

2. "Any year when title to the property is transferred, changed, or conveyed to another person or when improvements have been made to the property" means the year next preceding the January 1 assessment date;

3. "Improvement" means a valuable addition made to property amounting to more than normal repairs, replacement, maintenance or upkeep costing labor or capital and intended to enhance its value, utility or income or to adapt it for a new or further purpose; and

4. "Transfers, change or conveyance of title" means all types of transfers, changes or conveyances of any interest, whether legal or equitable. However, "transfers, change or conveyance of title" shall not include the following:

a. deeds recorded prior to January 1, 1996,

- b. deeds which secure a debt or other obligation,
- c. deeds which, without additional consideration, confirm, correct, modify or supplement a deed previously recorded,
- d. deeds between husband and wife, or parent and child, or any persons related within the second degree of consanguinity, without actual consideration therefor, or deeds between any person and an express revocable trust created by such person or such person's spouse,
- e. deeds of release of property which is security for a debt or other obligation,
- f. deeds of partition, unless, for consideration, some of the parties take shares greater in value than their undivided interests,
- g. deeds made pursuant to mergers of partnerships, limited liability companies or corporations,
- h. deeds made by a subsidiary corporation to its parent corporation for no consideration other than the cancellation or surrender of the subsidiary's stock, or
- i. any deed executed pursuant to a foreclosure proceeding in which the grantee is the holder of a mortgage on the property being foreclosed, or any deed executed pursuant to a power of sale in which the grantee is the party exercising such power of sale or any deed executed in favor of the holder of a mortgage on the property in consideration for the release of the borrower from liability on the indebtedness secured by such mortgage except as to cash consideration paid.

B. This section shall be applied effective from the date of the passage of Section 8B of Article X of the Oklahoma Constitution.

C. The Oklahoma Tax Commission shall promulgate rules necessary to implement Section 8B of Article X of the Oklahoma Constitution and this section.

SECTION 2. This act shall become effective January 1, 2000.

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