

ENGROSSED HOUSE
CONCURRENT
RESOLUTION NO. 1038

By: Perry and Liotta of the
House

and

Pruitt of the Senate

A Concurrent Resolution urging the Oklahoma Legislature to pass certain legislation relating to ad valorem taxes and to conduct a study relating to the ad valorem tax system.

WHEREAS, the continuing increase in real property values is causing ad valorem taxes to increase at an unprecedented rate during the last several years with some taxpayers in the state experiencing 25% to 50% increases in the fair cash values of their homes; and

WHEREAS, due to market conditions the fair cash value of many homes are repeatedly increasing at the constitutional maximum rate of 5% per year; and

WHEREAS, senior citizens on fixed incomes are most heavily impacted by these increases and some risk being unable to afford the taxes on their homes; and

WHEREAS, the maximum qualifying income for the valuation freeze for senior citizens is set by the Oklahoma Constitution at \$25,000 with no mechanism provided for indexing this amount; and

WHEREAS, the statutory homestead exemption in the amount of \$1,000 has not been increased since its original enactment in 1935 and doubling the amount of the exemption to \$2,000.00 would have a relatively small impact compared to the total amount of ad valorem revenue collected.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE 1ST SESSION OF THE 48TH OKLAHOMA LEGISLATURE, THE SENATE CONCURRING THEREIN:

THAT the Oklahoma Legislature consider passing at the earliest opportunity, a proposed amendment to the Oklahoma Constitution to increase the maximum qualifying income for the senior citizen valuation freeze from \$25,000.00 to \$30,000.00 and adding an indexing mechanism which would adjust this amount based on changes in the Consumer Price Index and a measure which would increase the amount of the statutory homestead exemption from \$1,000.00 to \$2,000.00.

THAT the Oklahoma Legislature conduct an interim study during the 2001 interim on the ad valorem tax system in Oklahoma including a review of the constitutional 5% annual valuation cap. This study should also focus on the impact of any proposed changes to the ad valorem tax system on ad valorem tax recipients.

Adopted by the House of Representatives the 24th day of May, 2001.

Presiding Officer of the House of
Representatives

Adopted by the Senate the ____ day of _____, 2001.

Presiding Officer of the Senate