

STATE OF OKLAHOMA

1st Session of the 48th Legislature (2001)

HOUSE BILL HB1682

By: Maddux

AS INTRODUCED

An Act relating to revenue and taxation; amending 68 O.S. 1991, Sections 2820 and 2823, as last amended by Section 3, Chapter 326, O.S.L. 1994 (68 O.S. Supp. 2000, Section 2823), which relate to visual inspections of property; modifying duties of the county assessor; providing for payment of certain inspections; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 1991, Section 2820, is amended to read as follows:

Section 2820. A. Each county assessor shall conduct a comprehensive program for the individual visual inspection of all taxable ~~real~~ property within his respective county. Each assessor shall thereafter maintain an active and systematic program of visual inspection on a continuous basis and shall establish an inspection schedule which will result in the individual visual inspection of all taxable ~~real~~ property within the county at least once each four (4) years.

B. The first cycle of visual inspections for ~~real~~ property shall begin upon January 1, 1991, as prescribed by Section 2481.1 of Title 68 of the Oklahoma Statutes, and shall end upon December 31, 1994. Thereafter, each succeeding four-year cycle for visual inspections shall begin upon January 1 of the year following the fourth year of the preceding cycle and shall end upon December 31 of the applicable four-year cycle. The county assessor shall utilize the standard parcel identification system required by law to assign

each parcel of real property a unique identification code or number. The code or number shall be used to ensure that the inspection sequence for real property results in a visual inspection of each parcel at least once each four (4) years. Each successor of the county assessor shall use the same cycle as used by the assessor's predecessor in office for visual inspections of ~~real~~ property.

C. Prior to the beginning of the first visual inspection cycle and each subsequent visual inspection cycle, the county assessor shall develop a plan that details the number of real property parcels to be inspected in each year of the cycle by use category, geographic area or other basis, the resources and budget proposed to complete the inspections and the valuation methodology to be used in determining the fair cash value of the real property and improvements thereon. The plan shall be adequate to ensure the visual inspection of all parcels of real property within the county at least once each four (4) years. The plan shall also be adequate to ensure that the information collected from the visual inspection of real property each year is sufficient to establish a representative sample from each use category in order to conduct the proper valuation of all taxable property within each use category by means of an accepted standard for mass appraisal practice. The county assessor shall submit the proposed plan to the Oklahoma Tax Commission by the first working day in October preceding the beginning of the four-year cycle. The Oklahoma Tax Commission shall either approve the plan if the plan and resources are adequate to complete the cycle and if the plan will result in a representative sample from each use category in order to value all taxable property each year or shall correct and modify the plan in order to establish a program for visual inspection that will be completed by the end of the cycle and that will provide a representative sample from each use category in order to value all taxable property each year. An approved plan shall be made for each county as of the beginning date

of each cycle and a copy of such plan shall be filed with the Oklahoma Tax Commission.

D. Each year the county assessor shall submit a progress report to the Oklahoma Tax Commission indicating the number of real property parcels inspected by use category, geographic area or other basis, the resources and budget expended in the last completed fiscal year and the valuation methodology used to determine fair cash values of the real property and improvements. The Oklahoma Tax Commission shall correct and modify any visual inspection plan during the four-year cycle if progress reports indicate that inspection of real property parcels will not be completed or will be performed in violation of legal requirements for such inspections. The county assessor shall be required to complete the four-year cycle in accordance with such plan as corrected and modified.

E. Each county assessor shall prepare and submit to the Oklahoma Tax Commission a detailed report of the progress made in the visual inspection program in his county to the date of the report and it shall be made a matter of public record. Such report shall be submitted upon forms supplied by the Oklahoma Tax Commission and shall consist of such information as the Oklahoma Tax Commission requires. The progress report shall be submitted not later than October 15 each year or the first working day thereafter. Based in part on all such county progress reports, the Oklahoma Tax Commission shall prepare its own report from all sources and transmit a copy of its own report to the Legislature and the State Board of Equalization.

SECTION 2. AMENDATORY 68 O.S. 1991, Section 2823, as last amended by Section 3, Chapter 326, O.S.L. 1994 (68 O.S. Supp. 2000, Section 2823), is amended to read as follows:

Section 2823. A. For ~~the~~ each fiscal year ~~beginning July 1, 1992, and each year thereafter,~~ the cost of the comprehensive program of visual inspections for real property and the cost of

physical inspections of personal property shall be paid by appropriate warrants from those who receive the revenues of the mill rates levied on the property of the county as prescribed by this section. The county assessor shall prepare a budget for the comprehensive program of visual inspections for real property and the cost of physical inspections of personal property and file such budget with the county excise board or county budget board.

B. The county excise board or county budget board shall apportion such cost among the various recipients of revenues from the mill rates levied, including the county, all cities and towns, all school districts, all sinking funds of such recipients, and all jurisdictions specified in subsection D of this section, in the ratio which each recipient's total tax collection authorized from its mill rates levied for the preceding year bears to the total tax collection authorized of all recipients from all their mill rates levied for the preceding year. The cost shall include only those expenses directly attributable to the visual inspection program and those expenses directly attributable to physical inspections of personal property and shall not include any expenses of the office of the county assessor which, in the judgment of the county excise board or county budget board, are expenses of county assessor's office which would exist in the absence of such program or in the absence of physical inspection of personal property. Expenses that are attributable both to the visual inspection program and physical inspection of personal property, and which would exist in the absence of such program or inspection, including but not limited to salaries, employee benefits, office supplies and equipment, may be prorated; provided, no portion of the salary of the county assessor shall be included in such costs.

C. Upon receipt of the billing statement provided for in subsections D and E of this section by each such recipient, the mill rates to be established by the board for each such recipient for the

current year shall include and be based upon such amounts and shall constitute an appropriation of such amounts to the county assessor for expenditure for the expenses of administering the visual inspection program each year. In the case of a sinking fund of a recipient, if, after approving its budget, the governing body of a recipient notifies the board in writing that there are no funds appropriated to pay the amount of the billing statement for such sinking fund, such notice shall constitute conclusive evidence of a financial obligation of the recipient as it relates to such sinking fund. The board may seek a judgment for the amount of such obligation and court costs in the district court of the county in which the board is located.

D. The county assessor shall render a statement to each of the jurisdictions within the county which receive revenue from an ad valorem mill rate. Such statement shall include the following information:

1. The current fiscal year in which the charge has been incorporated in the jurisdiction's budget;
2. All jurisdictions receiving statements from the county assessor, the mill rate for each in the previous year, and the proportion of each to the combined mill rates of all jurisdictions within the county for the previous year. The proportions specified in this paragraph should equal a total of one hundred percent (100%);
3. The charge for the entity receiving the statement as well as the charge for each jurisdiction of the county based upon the proportions specified in paragraph 2 of this subsection. The total of all current year charges for all county jurisdictions should equal the total visual inspection program budget for the current fiscal year;

4. The amount of the total budget for the office of the county assessor and the percentage that visual inspection program expenses are of such total budget; and

5. A copy of the County Budget Visual Inspection Account and a brief description of the areas to be visually inspected for the current fiscal year, consistent with the plan on file with the Oklahoma Tax Commission pursuant to Section 2820 of this title.

E. In any county wherein any jurisdiction's budget and mill rates are not subject to review and approval by the county excise board, the county assessor shall nevertheless include any such jurisdiction in the calculations required under subsection A of this section. The county assessor shall also render a billing statement to any such jurisdiction showing the charge for the current fiscal year due from the jurisdiction. Such billing statement shall also show all the information specified in subsection D of this section. Such billing statement shall clearly indicate that the charge payable by the jurisdiction is due and payable by December 31 of the current fiscal year.

SECTION 3. This act shall become effective November 1, 2001.

48-1-5841 MD 6/12/15