

STATE OF OKLAHOMA

1st Session of the 48th Legislature (2001)

HOUSE JOINT
RESOLUTION HJR1022

By: Covey

AS INTRODUCED

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a new Section 6D of Article X of the Constitution of the State of Oklahoma; providing for ad valorem tax exemption for qualifying business concerns; defining term; limiting number of times to take the exemption; requiring the Legislature to enact laws to implement this exemption; requiring certain valuation to be added to the assessed valuation of taxable property in computing the limit on indebtedness of political subdivisions; providing ballot title; and directing filing.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE 1ST SESSION OF THE 48TH OKLAHOMA LEGISLATURE:

SECTION 1. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to the Constitution of the State of Oklahoma by adding a new Section 6D to Article X thereof, to read as follows:

Section 6D. For the purpose of inducing any business to locate or expand its business facilities within any county of this state, a qualifying business concern shall be exempt from the levy of any ad valorem taxes upon new, expanded or acquired business facilities for a period of five (5) years.

For purposes of this section, a "qualifying business concern" means a concern that makes a minimum investment of Three Million Dollars (\$3,000,000.00) in the facility and that:

1. Is not engaged in business in this state or does not have property subject to ad valorem tax in this state and constructs a business facility in this state or acquires an existing facility; or

2. Is engaged in business in this state or has property subject to ad valorem tax in this state and constructs a business facility in this state at a different location from present facilities and continues to operate all of its facilities or acquires an existing facility and continues to operate all of its facilities.

The exemption allowed by this section shall apply to expansions of existing facilities. Provided, however that any exemption shall be limited to the increase in ad valorem taxes directly attributable to the expansion.

A taxpayer shall be eligible for the exemption provided for in this section once in a twenty-five (25) year period.

The Legislature shall define the term "business facility" for purposes of the ad valorem tax exemption provided by this section in order to promote full employment of labor resources within the state; provided, however, that a business facility that qualifies for the ad valorem tax exemption provided by this section, pursuant to the definition of "business facility" then applicable, shall be eligible for the exemption without regard to subsequent changes in the definition of the term "business facility".

The Legislature shall enact laws to carry out the provisions of this section.

The assessed valuation of property exempt from taxation by virtue of this section shall be added to the assessed valuation of taxable property in computing the limit on indebtedness of political subdivisions contained in Section 26 of this article.

SECTION 2. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 1 of this resolution shall be in the following form:

BALLOT TITLE

Legislative Referendum No. _____

State Question No. _____

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure would amend the State Constitution. It would add a new Section 6D to Article 10 of the State Constitution. It would exempt certain businesses from ad valorem taxes. The exemption would be for five years. The measure specifies the type of businesses which may take the exemption. A taxpayer would be limited in the number of times to take the exemption. The Legislature shall define the term business facility for purposes of this exemption. The Legislature shall enact laws to carry out this exemption.

SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

YES, FOR THE AMENDMENT

NO, AGAINST THE AMENDMENT

SECTION 3. The Chief Clerk of the House of Representatives, immediately after the passage of this resolution, shall prepare and file one copy thereof, including the Ballot Title set forth in SECTION 2 hereof, with the Secretary of State and one copy with the Attorney General.

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