

STATE OF OKLAHOMA

1st Session of the 48th Legislature (2001)

SENATE BILL 137

By: Crutchfield

AS INTRODUCED

An Act relating to revenue and taxation; amending 68 O.S. 1991, Section 2887, as last amended by Section 2, Chapter 361, O.S.L. 2000 (68 O.S. Supp. 2000, Section 2887), which relates to property tax exemptions; granting additional homestead exemption in certain amount to certain personnel of Armed Forces of United States; specifying procedure for application therefor; requiring certain notification by executor or administrator of certain estates; modifying property exempt from taxation; amending 72 O.S. 1991, Section 67.13a, as last amended by Section 1, Chapter 338, O.S.L. 2000 (72 O.S. Supp. 2000, Section 67.13a), which relates to veterans; modifying reference to certain tax benefit; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2890.2 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. For calendar year 2002 and subsequent calendar years, in addition to the amount of the homestead exemptions authorized and allowed in Sections 2889 and 2890 of Title 68 of the Oklahoma Statutes, an additional exemption is hereby granted, to the extent of One Thousand Five Hundred Dollars (\$1,500.00) of the assessed valuation on each homestead of enlisted and commissioned personnel of the Armed Forces of the United States, whether on active duty or honorably discharged, who meet the definition of a "war veteran" as defined in Section 67.13a of Title 72 of the Oklahoma Statutes. All surviving spouses of such enlisted or commissioned personnel who are bona fide residents of this state shall be entitled to the additional exemption provided in this subsection.

B. The application for the additional homestead exemption shall be made before March 15 or within thirty (30) days from and after receipt by the taxpayer of notice of valuation increase, whichever is later, and upon the form prescribed by the Oklahoma Tax Commission, which shall require the taxpayer to certify the taxpayer's status as a war veteran or surviving spouse of a war veteran. Upon request of the county assessor, the Oklahoma Department of Veterans Affairs shall assist in verifying such status.

C. For persons who have previously qualified for the additional homestead exemption, no annual application shall be required in order to receive the exemption provided by this section. Any executor or administrator of an estate within which is included a homestead property exempt pursuant to the provisions of this section shall notify the county assessor of the change in status of the homestead property if such property is not the homestead of a person who would be eligible for the exemption provided by this section.

SECTION 2. AMENDATORY 68 O.S. 1991, Section 2887, as last amended by Section 2, Chapter 361, O.S.L. 2000 (68 O.S. Supp. 2000, Section 2887), is amended to read as follows:

Section 2887. The following property shall be exempt from ad valorem taxation:

1. All property of the United States, and such property as may be exempt by reason of treaty stipulations existing at statehood between the Indians and the United States government, or by reason of federal laws in effect at statehood, during the time such treaties or federal laws are in force and effect. In instances where a federal agency has obtained title to property through foreclosure, voluntary or involuntary liquidation or bankruptcy, which was previously subject to ad valorem taxation, the property may continue to be assessed for ad valorem taxes if such federal agency has agreed to pay such taxes;

2. All property of this state, and of the counties, school districts, and municipalities of this state, including property acquired for the use of such entities pursuant to the terms of a lease-purchase agreement which provides for the passage of title or the release of security interest, if applicable, upon payment of all rental payments and an additional nominal amount;

3. All property of any college or school, provided such property is devoted exclusively and directly to the appropriate objects of such college or school within this state and all property used exclusively for nonprofit schools and colleges;

4. The books, papers, furniture and scientific or other apparatus pertaining to any institution, college or society referred to in paragraph 3 of this section, and devoted exclusively and directly for the purpose above contemplated, and the like property of students in any such institution or college, while such property is used for the purpose of their education;

5. All fraternal orphan homes and other orphan homes;

6. All property used for free public libraries, free museums, public cemeteries, or free public schools;

7. All property used exclusively and directly for fraternal or religious purposes within this state.

For purposes of administering the exemption authorized by this section and in order to determine whether a single family residential property is used exclusively and directly for fraternal or religious purposes, the fair cash value of a single family residential property, for which an exemption is claimed as authorized by this subsection, in excess of Two Hundred Fifty Thousand Dollars (\$250,000.00) for the applicable assessment year shall not be exempt from taxation;

8. All property of any charitable institution organized or chartered under the laws of this state as a nonprofit or charitable institution, provided the net income from such property is used

exclusively within this state for charitable purposes and no part of such income inures to the benefit of any private stockholder, including property which is not leased or rented to any person other than a governmental body, a charitable institution or a member of the general public who is authorized to be a tenant in property owned by a charitable institution under Section 501(c)(3) of the Internal Revenue Code, and which additionally satisfies the income standards set forth in Internal Revenue Service Revenue Procedure 96-32 if the property provides residential rental accommodations regardless of whether services or meals are provided;

9. All property used exclusively and directly for charitable purposes within this state, provided the charity using said property does not pay any rent or remuneration to the owner thereof unless the owner is a charitable institution described in Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), or a veterans' organization described in Section 501(c)(19) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(19);

10. All property of any hospital established, organized and operated by any person, partnership, association, organization, trust, or corporation, as a nonprofit and charitable hospital, provided the property and net income from such hospital are used directly, solely, and exclusively within this state for charitable purposes and that no part of such income shall inure to the benefit of any individual, person, partner, shareholder, or stockholder, and provided further that such hospital facilities shall be open to the public without discrimination as to race, color or creed and regardless of ability to pay, and that such hospital is licensed and otherwise complies with the laws of this state relating to the licensing and regulation of hospitals;

11. All libraries and office equipment of ministers of the Gospel actively engaged in ministerial work in the State of Oklahoma, where said libraries and office equipment are being used

by said ministers in their ministerial work, shall be deemed to be used exclusively for religious purposes and are declared to be within the meaning of the term "religious purposes" as used in Article X, Section 6 of the Constitution of the State of Oklahoma;

12. Household goods, tools, implements and livestock of every person maintaining a home, not exceeding One Hundred Dollars (\$100.00) in value ~~or One Thousand Dollars (\$1,000.00) in value if Article X, Section 6 of the Oklahoma Constitution provides for an exemption in such amount; and in addition thereto, there shall be exempt from taxation on personal property the further sum of Two Hundred Dollars (\$200.00) to all enlisted and commissioned personnel, whether on active duty or honorably discharged, who served in the Armed Forces of the United States during:~~

- ~~a. the Spanish-American War,~~
- ~~b. the period beginning on April 6, 1917, and ending on July 2, 1921,~~
- ~~c. the period beginning on December 6, 1941, and ending on such date as the state of national emergency as declared by the President of the United States shall cease to exist, or~~
- ~~d. any other or future period during which a state of national emergency shall have been or shall be declared to exist by the Congress or the President of the United States.~~

~~All surviving spouses made so by the death of such enlisted or commissioned personnel, who are bona fide residents of this state, shall be entitled to the above additional exemption provided in this paragraph;~~

13. Family portraits;

14. All food and fuel provided in kind for the use of the family not to exceed provisions for one (1) year's time, and all grain and forage necessary to maintain for one (1) year the

livestock used to provide food for the family. No person from whom pay is received or expected for board shall be considered a member of the family within the intent and meaning of this paragraph;

15. All growing crops; and

16. All game animals, fowl and reptile, which are not being grown for food or sale and which are kept exclusively for propagation or exhibition, in private grounds or public parks in this state.

SECTION 3. AMENDATORY 72 O.S. 1991, Section 67.13a, as last amended by Section 1, Chapter 338, O.S.L. 2000 (72 O.S. Supp. 2000, Section 67.13a), is amended to read as follows:

Section 67.13a. The words "war veterans" used in Section 67.13 of this title shall be construed to mean such honorably discharged persons as served:

1. In the Armed Forces of the United States at any time during the period from April 6, 1917, to November 11, 1918, both dates inclusive;

2. In the Armed Forces of the United States as members of the 45th Division at any time during the period from September 16, 1940, to December 7, 1941, both dates inclusive;

3. In the Armed Forces of the United States at any time during the period from December 7, 1941, to December 31, 1946, both dates inclusive;

4. In the Armed Forces of the United States at any time during the period from June 27, 1950, to January 31, 1955, both dates inclusive;

5. For a period of ninety (90) days or more, unless discharged from active duty for a service-connected disability, in the Armed Forces of the United States during the period of time in which the United States participated in a war, campaign or battle, but excluding any person who shall have served on active duty for

training only, unless discharged from active duty for service-connected disability;

6. In the Armed Forces of the United States at any time during the period which began on:

- a. February 28, 1961, and ended on May 7, 1975, in the case of a veteran who served in the Republic of Vietnam during that period, and
- b. August 5, 1964, and ended on May 7, 1975, in all other cases,

except that such period shall be deemed to have ended on December 31, 1976, when determining eligibility for education and training benefits; or

7. In the Armed Forces of the United States on or after August 1, 1990, during the period of time in which the United States participates in a war, military or naval campaign, or expedition, excluding any person who shall have served on active duty for training only, unless discharged from active duty for service-connected disability.

The term "war veterans" shall include only those persons who shall have served during the times or in the areas prescribed in this section, and those persons who were awarded service medals, as authorized by the United States Department of Defense as reflected in the veteran's Defense Department Form 214, related to the Vietnam Conflict who served prior to August 5, 1964. Any honorably discharged war veteran of any of the Armed Forces of the United States shall be entitled to such tax exemptions to include but not be limited to ~~tax-exempt veterans'~~ benefits as provided in ~~paragraph 12 of Section 2887 of Title 68 of the Oklahoma Statutes~~ Section 1 of this act, special permits and veterans' preferences for state employment; provided, that any person who shall have served on active duty for training purposes only shall not be entitled to any such tax exemptions, special permits or veterans' preferences.

The provisions of ~~this act~~ Section 67.13 et seq. of this title shall include military retirees, whose retirement was based only on active service, that have been rated as having twenty percent (20%) or greater service-connected disability by the Veterans Administration or the Armed Forces of the United States.

SECTION 4. This act shall become effective January 1, 2002.

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