

By: Dunlap of the Senate
and

Wilt of the House

An Act relating to revenue and taxation; amending 68 O.S. 2001, Section 2823, as amended by Section 4, Chapter 476, O.S.L. 2002 (68 O.S. Supp. 2003, Section 2823), which relates to ad valorem taxes; providing that certain procedure for payment of costs of visual inspection program be applicable to certain fiscal years; updating statutory references; specifying procedure for payment of such costs for fiscal year 2006 and following; specifying certain duties of county assessor and county excise or budget board; providing for apportionment and payment of certain costs; providing limitations; allowing for proration of certain costs; providing for receipt, transfer and appropriation of certain revenues; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 2001, Section 2823, as amended by Section 4, Chapter 476, O.S.L. 2002 (68 O.S. Supp. 2003, Section 2823), is amended to read as follows:

Section 2823. A. 1. For ~~each~~ fiscal year 2005 and preceding fiscal years, 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~~ subsection. School districts are hereby authorized to pay such costs from revenues accruing to their building funds. 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.~~ 2. 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~~ paragraph 4 of this ~~section~~ subsection, 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 the 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.~~ 3. Upon receipt of the billing statement provided for in ~~subsections D and E~~ paragraphs 4 and 5 of this ~~section~~ subsection 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.~~ 4. 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~~

a. the current fiscal year in which the charge has been incorporated in the jurisdiction's budget~~†~~1

~~2.~~ ~~All~~

b. 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~~ subparagraph should equal a total of one hundred percent (100%)~~†~~1

~~3.~~ ~~The~~

c. 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~~ subparagraph b of this ~~subsection~~ paragraph. The total of all current year charges for all county jurisdictions should equal the total visual inspection program budget for the current fiscal year~~†~~1

~~4.~~ ~~The~~

d. 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~~+~~1
and

~~5.~~ A

e. 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.~~ 5. 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~~ paragraph 1 of this ~~section~~ subsection. 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~~ paragraph 4 of this ~~section~~ subsection. 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.

B. 1. For fiscal year 2006 and following fiscal years, the cost of the comprehensive program of visual inspections for real property and the cost of physical inspections of personal property shall be paid as prescribed by this subsection. 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.

2. Upon approval of such budget by the county excise board or county budget board, the county assessor shall apportion the cost of the comprehensive program of visual inspections for real property and the cost of physical inspections of personal property among all

recipients of revenue from an ad valorem mill levy, except and excluding levies for sinking funds, in the ratio that each recipient's total revenue bears to the total of all revenue raised by mill levies in the county, excluding revenue from sinking fund levies. 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 the 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.

3. The portion of the cost of the comprehensive program of visual inspections for real property and the cost of physical inspections of personal property attributable to each entity receiving revenue from the ad valorem mill levy, except and excluding sinking funds, shall be billed to each entity to be paid to the county treasurer. Upon receipt by the county treasurer, such amounts shall be transferred to the office of the county assessor 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.

SECTION 2. This act shall become effective November 1, 2004.

Passed the Senate the 25th day of February, 2004.

Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____,
2004.

Presiding Officer of the House
of Representatives