

3 Senate Bill No. 1314

4 SENATE BILL NO. 1314 - By: DUNLAP of the Senate and WILT of the
5 House.

6 An Act relating to revenue and taxation; amending 68 O.S.
7 2001, Section 2823, as amended by Section 4, Chapter 476,
8 O.S.L. 2002 (68 O.S. Supp. 2003, Section 2823), which
9 relates to ad valorem taxes; providing that certain
10 procedure for payment of costs of visual inspection program
11 be applicable to certain fiscal years; updating statutory
12 references; specifying procedure for payment of such costs
13 for fiscal year 2006 and following; specifying certain
14 duties of county assessor and county excise or budget board;
15 providing for apportionment and payment of certain costs;
16 providing limitations; allowing for proration of certain
17 costs; providing for receipt, transfer and appropriation of
18 certain revenues; and providing an effective date.

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

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

23 Section 2823. A. 1. For ~~each~~ fiscal year 2005 and preceding
24 fiscal years, the cost of the comprehensive program of visual
25 inspections for real property and the cost of physical inspections
26 of personal property shall be paid by appropriate warrants from
27 those who receive the revenues of the mill rates levied on the
28 property of the county as prescribed by this ~~section~~ subsection.

29 School districts are hereby authorized to pay such costs from
30 revenues accruing to their building funds. The county assessor

1 shall prepare a budget for the comprehensive program of visual
2 inspections for real property and the cost of physical inspections
3 of personal property and file such budget with the county excise
4 board or county budget board.

5 ~~B.~~ 2. The county excise board or county budget board shall
6 apportion such cost among the various recipients of revenues from
7 the mill rates levied, including the county, all cities and towns,
8 all school districts, all sinking funds of such recipients, and all
9 jurisdictions specified in ~~subsection D~~ paragraph 4 of this ~~section~~
10 subsection, in the ratio which each recipient's total tax collection
11 authorized from its mill rates levied for the preceding year bears
12 to the total tax collection authorized of all recipients from all
13 their mill rates levied for the preceding year. The cost shall
14 include only those expenses directly attributable to the visual
15 inspection program and those expenses directly attributable to
16 physical inspections of personal property and shall not include any
17 expenses of the office of the county assessor which, in the judgment
18 of the county excise board or county budget board, are expenses of
19 the county assessor's office which would exist in the absence of
20 such program or in the absence of physical inspection of personal
21 property. Expenses that are attributable both to the visual
22 inspection program and physical inspection of personal property, and
23 which would exist in the absence of such program or inspection,

1 including but not limited to salaries, employee benefits, office
2 supplies and equipment, may be prorated; provided, no portion of the
3 salary of the county assessor shall be included in such costs.

4 ~~C.~~ 3. Upon receipt of the billing statement provided for in
5 ~~subsections D and E~~ paragraphs 4 and 5 of this ~~section~~ subsection by
6 each such recipient, the mill rates to be established by the board
7 for each such recipient for the current year shall include and be
8 based upon such amounts and shall constitute an appropriation of
9 such amounts to the county assessor for expenditure for the expenses
10 of administering the visual inspection program each year. In the
11 case of a sinking fund of a recipient, if, after approving its
12 budget, the governing body of a recipient notifies the board in
13 writing that there are no funds appropriated to pay the amount of
14 the billing statement for such sinking fund, such notice shall
15 constitute conclusive evidence of a financial obligation of the
16 recipient as it relates to such sinking fund. The board may seek a
17 judgment for the amount of such obligation and court costs in the
18 district court of the county in which the board is located.

19 ~~D.~~ 4. The county assessor shall render a statement to each of
20 the jurisdictions within the county which receive revenue from an ad
21 valorem mill rate. Such statement shall include the following
22 information:

23 1. ~~The~~

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

3 ~~2.~~ ~~All~~

4 b. all jurisdictions receiving statements from the county
5 assessor, the mill rate for each in the previous year,
6 and the proportion of each to the combined mill rates
7 of all jurisdictions within the county for the
8 previous year. The proportions specified in this
9 ~~paragraph~~ subparagraph should equal a total of one
10 hundred percent (100%)~~†~~1

11 ~~3.~~ ~~The~~

12 c. the charge for the entity receiving the statement as
13 well as the charge for each jurisdiction of the county
14 based upon the proportions specified in ~~paragraph 2~~
15 subparagraph b of this ~~subsection~~ paragraph. The
16 total of all current year charges for all county
17 jurisdictions should equal the total visual inspection
18 program budget for the current fiscal year~~†~~1

19 ~~4.~~ ~~The~~

20 d. the amount of the total budget for the office of the
21 county assessor and the percentage that visual
22 inspection program expenses are of such total budget~~†~~1
23 and

1 ~~5.—A~~

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

7 ~~E.~~ 5. In any county wherein any jurisdiction's budget and mill
8 rates are not subject to review and approval by the county excise
9 board, the county assessor shall nevertheless include any such
10 jurisdiction in the calculations required under ~~subsection A~~
11 paragraph 1 of this ~~section~~ subsection. The county assessor shall
12 also render a billing statement to any such jurisdiction showing the
13 charge for the current fiscal year due from the jurisdiction. Such
14 billing statement shall also show all the information specified in
15 ~~subsection D~~ paragraph 4 of this ~~section~~ subsection. Such billing
16 statement shall clearly indicate that the charge payable by the
17 jurisdiction is due and payable by December 31 of the current fiscal
18 year.

19 B. 1. For fiscal year 2006 and following fiscal years, the
20 cost of the comprehensive program of visual inspections for real
21 property and the cost of physical inspections of personal property
22 shall be paid as prescribed by this subsection. The county assessor
23 shall prepare a budget for the comprehensive program of visual

1 inspections for real property and the cost of physical inspections
2 of personal property and file such budget with the county excise
3 board or county budget board.

4 2. Upon approval of such budget by the county excise board or
5 county budget board, the county assessor shall apportion the cost of
6 the comprehensive program of visual inspections for real property
7 and the cost of physical inspections of personal property among all
8 recipients of revenue from an ad valorem mill levy, except and
9 excluding levies for sinking funds, in the ratio that each
10 recipient's total revenue bears to the total of all revenue raised
11 by mill levies in the county, excluding revenue from sinking fund
12 levies. The cost shall include only those expenses directly
13 attributable to the visual inspection program and those expenses
14 directly attributable to physical inspections of personal property
15 and shall not include any expenses of the office of the county
16 assessor which, in the judgment of the county excise board or county
17 budget board, are expenses of the county assessor's office which
18 would exist in the absence of such program or in the absence of
19 physical inspection of personal property. Expenses that are
20 attributable both to the visual inspection program and physical
21 inspection of personal property, and which would exist in the
22 absence of such program or inspection, including but not limited to
23 salaries, employee benefits, office supplies and equipment, may be

1 prorated; provided, no portion of the salary of the county assessor
2 shall be included in such costs.

3 3. The portion of the cost of the comprehensive program of
4 visual inspections for real property and the cost of physical
5 inspections of personal property attributable to each entity
6 receiving revenue from the ad valorem mill levy, except and
7 excluding sinking funds, shall be billed to each entity to be paid
8 to the county treasurer. Upon receipt by the county treasurer, such
9 amounts shall be transferred to the office of the county assessor
10 and shall constitute an appropriation of such amounts to the county
11 assessor for expenditure for the expenses of administering the
12 visual inspection program each year.

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

14 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 2-10-04 - DO PASS,
15 As Coauthored.