

SB 242

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THE STATE SENATE
Tuesday, February 25, 2003

Senate Bill No. 242
As Amended

SENATE BILL NO. 242 - By: HELTON of the Senate and McCARTER of the House.

[public finance - Ad Valorem Reimbursement Fund - effective date]

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

SECTION 1. AMENDATORY 62 O.S. 2001, Section 193, is amended to read as follows:

Section 193. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tax Commission to be designated the "Ad Valorem Reimbursement Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. Monies apportioned to this fund shall be expended:

1. To reimburse counties of this state for loss of revenue due to exemptions of ad valorem taxes for new or expanded manufacturing or research and development facilities;

2. To reimburse counties of this state for loss of revenue for school district and county purposes due to exemptions granted pursuant to the provisions of Section 2890 of Title 68 of the Oklahoma Statutes; and

1 3. To reimburse counties of this state for loss of revenue due
2 to decreased valuation and assessment for buffer strips pursuant to
3 Section ~~2 of this act~~ 2817.2 of Title 68 of the Oklahoma Statutes.

4 Provided that it shall be the duty of the Tax Commission to
5 assess the valuation of all property for new or expanded
6 manufacturing or research and development facilities which are
7 exempt from ad valorem taxes.

8 Monies apportioned to this fund also may be transferred to other
9 state funds or otherwise expended as directed by the Legislature by
10 law.

11 B. The county commissioners of each county seeking
12 reimbursement for lost revenue from the Ad Valorem Reimbursement
13 Fund shall make claims for reimbursement on forms prescribed by the
14 Tax Commission prior to April 30 of each year. Claims for
15 reimbursement for loss of revenue due to exemptions of ad valorem
16 taxes for new or expanded manufacturing or research and development
17 facilities shall be made separately from claims for reimbursement
18 for loss of revenue for school district and county purposes due to
19 exemptions granted pursuant to the provisions of Section 2890 of
20 Title 68 of the Oklahoma Statutes and separately from claims for
21 reimbursement for loss of revenue for decreased valuation and
22 assessment of buffer strips. Provided, the assessed valuation of a
23 school district as stated in the claim for reimbursement shall be

1 the same as reported to the State Department of Education on the
2 Estimate of Need and shall include the total valuation of property
3 exempt from taxation pursuant to Section 2902 of Title 68 of the
4 Oklahoma Statutes. The claims shall be either approved or
5 disapproved in whole or in part by the Tax Commission by June 15 of
6 each year. A claim for reimbursement for loss of revenue due to an
7 exemption of ad valorem taxes for a new or expanded manufacturing or
8 research and development facility shall be disapproved if a county
9 or school district has received any payment in lieu of ad valorem
10 taxes from such facility, to the extent of the amount of such
11 reimbursement. If the Tax Commission determines that an exemption
12 has been erroneously or unlawfully granted, it shall notify the
13 appropriate county assessor who shall immediately value and assess
14 the property and place it on the rolls for ad valorem taxation.
15 Disbursements from the fund shall be made on warrants issued by the
16 State Treasurer against claims filed by the Tax Commission with the
17 Office of State Finance for payment. Such disbursements shall be
18 exempt from all agency expenditure ceilings. The county treasurer
19 shall apportion or disburse such funds for expenditures in the same
20 manner as other ad valorem tax collections.

21 C. ~~In the event monies apportioned to the Ad Valorem~~
22 ~~Reimbursement Fund are insufficient to pay all claims for~~
23 ~~reimbursement made pursuant to subsection B of this section, claims~~

1 ~~for reimbursement for loss of revenue due to exemptions of ad~~
2 ~~valorem taxes for new or expanded manufacturing or research and~~
3 ~~development facilities shall be paid first, and any remaining funds~~
4 ~~shall be distributed proportionally among the counties making claims~~
5 ~~for reimbursement for loss of revenue for school district and county~~
6 ~~purposes due to exemptions granted pursuant to the provisions of~~
7 ~~Section 2890 of Title 68 of the Oklahoma Statutes, according to the~~
8 ~~amount of the claim made by each county.~~ If any funds remain after
9 paying all claims for reimbursement for loss of revenue due to
10 exemptions of ad valorem taxation for new or expanded manufacturing
11 or research and development facilities and for reimbursement for
12 loss of revenue for school district and county purposes due to
13 exemptions granted pursuant to the provisions of Section 2890 of
14 Title 68 of the Oklahoma Statutes, the remaining funds shall be
15 distributed proportionally among the counties making claims for
16 reimbursement for loss of revenue for decreased valuation and
17 assessment for buffer strips pursuant to Section ~~2 of this act~~
18 2817.2 of Title 68 of the Oklahoma Statutes.

19 SECTION 2. This act shall become effective November 1, 2003.

20 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 2-18-03 - DO PASS,
21 As Amended and Coauthored.