

STATE OF OKLAHOMA

1st Session of the 49th Legislature (2003)

HOUSE JOINT
RESOLUTION HJR1017

By: Pope

AS INTRODUCED

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to Section 8B of Article X of the Constitution of the State of Oklahoma, and a proposed amendment to Section 8C of Article X of the Constitution of the State of Oklahoma; modifying limitation for purposes of increases in fair cash value for certain property; authorizing enactment of laws related to ad valorem tax liabilities imposed with respect to transferred property; providing for adjustment of certain gross household income amount related to limitation on increases in fair cash value of certain homesteads; providing for adjustment based upon Consumer Price Index for All Urban Consumers; providing ballot titles; directing filing; and providing for special election.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE
1ST SESSION OF THE 49TH 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 Section 8B of Article X of the Constitution of the State of Oklahoma to read as follows:

Section 8B. A. Despite any provision to the contrary, the fair cash value of any parcel of locally assessed real property shall not increase by more than ~~five percent (5%)~~ three percent (3%) in any taxable year.

B. The provisions of this section shall not apply in any year when title to the property is transferred, changed, or conveyed to another person or when improvements have been made to the property. If title to the property is transferred, changed, or conveyed to another person, the property shall be assessed for that year based

on the fair cash value as set forth in Section 8 of Article X of this Constitution.

C. If any improvements are made to the property, the increased value to the property as a result of the improvement shall be assessed for that year based on the fair cash value as set forth in Section 8 of Article X of this Constitution.

D. The provisions of this section shall be effective January 1, ~~1997~~ 2004, and thereafter for counties which are in compliance with the applicable law or administrative regulations governing valuation of locally assessed real property as of such date. For counties which are not in compliance with such law or regulations as of January 1, ~~1997~~ 2004, the provisions of this section shall be effective January 1 of the year following the date the county is deemed to be in compliance with such laws or regulations as provided by law.

E. The provisions of this section shall not apply to any personal property which may be taxed ad valorem or any property which may be valued or assessed by the State Board of Equalization.

F. The Legislature shall enact any laws necessary to implement the provisions of this section and may enact laws to provide such relief as may be required for the ad valorem tax liabilities imposed on property after the transfer of title to such property occurs pursuant to subsection B of this section in order to provide for an equitable treatment of property owners affected by the increase in ad valorem tax attributable to the provisions of this section.

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 amends the Oklahoma Constitution. It amends Section 8B of Article 10. The market value of locally assessed real property cannot increase more than 5% each year. If this measure passes, the limit on increases in market value would be changed to 3% each year. The limit on increases in market value does not apply when property is transferred. The property taxes on transferred property could be higher than other properties that were not transferred. The Legislature could enact laws to provide tax relief for owners of property that was transferred.

SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

YES, FOR THE AMENDMENT

NO, AGAINST THE AMENDMENT

SECTION 3. 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 Section 8C of Article X of the Constitution of the State of Oklahoma to read as follows:

Section 8C. A. Despite any provision to the contrary, beginning January 1, ~~1997~~ 2004, the fair cash value, as determined by law, on each homestead of an individual head of household whose gross household income from all sources for the preceding calendar year did not exceed Twenty-five Thousand Dollars (\$25,000.00), as adjusted for inflation pursuant to subsection E of this section, and which individual head of household is sixty-five (65) years of age or older, shall not exceed the fair cash value placed upon the property during the first year in which the individual head of household was sixty-five (65) years of age or older and had gross household income from all sources of Twenty-five Thousand Dollars (\$25,000.00), as adjusted for inflation pursuant to subsection E of this section, or less.

B. Subject to the limitations of this section, the fair cash value shall not exceed such amount as long as the individual head of household who is sixty-five (65) years of age or older owns and

occupies the property and as long as the gross household income from all sources does not exceed Twenty-five Thousand Dollars (\$25,000.00), as adjusted for inflation pursuant to subsection E of this section, in any calendar year.

C. If any improvements are made to the property, the fair cash value of the improvements shall be assessed in accordance with law by the county assessor and added to the assessed value of the property. Once the fair cash value of the improvements has been added to the fair cash value of the property, the total fair cash value shall not exceed the revised valuation of the property so long as the individual head of household who is sixty-five (65) years of age or older owns and occupies the property and so long as the gross household income from all sources does not exceed Twenty-five Thousand Dollars (\$25,000.00), as adjusted for inflation pursuant to subsection E of this section, in a calendar year.

D. For any individual head of household who is sixty-five (65) years of age or older prior to January 1, 1997, and has gross household income from all sources of Twenty-five Thousand Dollars (\$25,000.00) or less in calendar year 1996, the fair cash value of the real property shall be the fair cash value placed upon the property on January 1, 1997. If the individual head of household ceases to own and occupy the property or if the gross household income from all sources exceeds Twenty-five Thousand Dollars (\$25,000.00), as adjusted for inflation pursuant to subsection E of this section, in a calendar year, the fair cash value of the property shall be determined as if the provisions of Section 8 of Article X of the Constitution of the State of Oklahoma or any other provisions relating to a limitation on the fair cash value of locally assessed real property had been in effect during the time the property was valued pursuant to the provisions of this section.

E. Beginning January 1, 2004, the gross household income amount prescribed by this section to determine eligibility for the

limitation on increases in fair cash value for applicable property shall be adjusted for inflation using the applicable increase, if any, in the Consumer Price Index for All Urban Consumers (CPI-U) for the preceding calendar year.

SECTION 4. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 3 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 amends the Oklahoma Constitution. It amends Section 8C of Article 10. This section prevents increases in the value of some homestead property for property tax purposes. You must be age 65 or older to qualify for this protection. Currently, the gross household income cannot be greater than \$25,000.00 per year to qualify. If this measure passes, the income amount would be indexed. It could change each year based upon the Consumer Price Index. If there was an adjustment for inflation, then a person age 65 or older could have more than \$25,000.00 in income and still qualify for the limit on increases in market value of homestead property.

SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

YES, FOR THE AMENDMENT

NO, AGAINST THE AMENDMENT

SECTION 5. 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 Titles set forth in SECTIONS 2 and 4 hereof, with the Secretary of State and one copy with the Attorney General.

SECTION 6. A special election is hereby ordered to be held throughout the State of Oklahoma on the date of September 23, 2003,

at which time the proposed amendment to the Constitution of the State of Oklahoma, as set forth in SECTIONS 1 and 3 of this resolution, shall be submitted to the people of Oklahoma for their approval or rejection as and in the manner provided by law.

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