

EHB 1728

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THE STATE SENATE
Wednesday, April 13, 2005

ENGROSSED

House Bill No. 1728

ENGROSSED HOUSE BILL NO. 1728 - By: HARRISON of the House and LERBLANCE of the Senate.

An Act relating to county assessors; amending 11 O.S. 2001, Section 42-107, which relates to vacating plats and public ways; adding certain requirements to be included with filings related to vacating a plat; requiring the county clerk to provide certain copy; amending 51 O.S. 2001, Section 24A.7, which relates to the Oklahoma Open Records Act; adding items to be kept confidential by public bodies; amending 68 O.S. 2001, Sections 2802, 2817.1, as amended by Section 8, Chapter 344, O.S.L. 2002, 2842 and 2844 (68 O.S. Supp. 2004, Section 2817.1), which relate to the Ad Valorem Tax Code; modifying certain definitions; adding certain definition; clarifying fair cash value; modifying assessment roll availability; specifying method of making assessment roll adjustments; modifying the calculation of certain interest; and providing an effective date.

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

SECTION 1. AMENDATORY 11 O.S. 2001, Section 42-107, is amended to read as follows:

Section 42-107. Any decree or written instrument vacating a plat or portion thereof shall be filed and recorded in the office of the county clerk in the county where the land is situated and shall include a metes and bounds legal description of the area being vacated and a separate metes and bounds legal description of the area, if any, remaining platted. The clerk shall write in plain, legible letters across that part of the plat so vacated the word

(Bold face denotes Committee Amendments)

1 "Vacated". The county clerk shall provide a copy of the metes and
2 bounds legal description of the property being vacated as furnished
3 by the petitioner to the county assessor. The clerk shall also note
4 on the original plat a reference to the decree or instrument and the
5 volume and page where recorded.

6 SECTION 2. AMENDATORY 51 O.S. 2001, Section 24A.7, is
7 amended to read as follows:

8 Section 24A.7 A. A public body may keep personnel records
9 confidential:

10 1. Which relate to internal personnel investigations including
11 examination and selection material for employment, hiring,
12 appointment, promotion, demotion, discipline, or resignation; or

13 2. Where disclosure would constitute a clearly unwarranted
14 invasion of personal privacy such as employee evaluations, payroll
15 deductions, employment applications submitted by persons not hired
16 by the public body, and transcripts from institutions of higher
17 education maintained in the personnel files of certified public
18 school employees; provided, however, that nothing in this subsection
19 shall be construed to exempt from disclosure the degree obtained and
20 the curriculum on the transcripts of certified public school
21 employees.

22 B. All personnel records not specifically falling within the
23 exceptions provided in subsection A of this section shall be

1 available for public inspection and copying including, but not
2 limited to, records of:

3 1. An employment application of a person who becomes a public
4 official;

5 2. The gross receipts of public funds;

6 3. The dates of employment, title or position; and

7 4. Any final disciplinary action resulting in loss of pay,
8 suspension, demotion of position, or termination.

9 C. Except as may otherwise be made confidential by statute, an
10 employee of a public body shall have a right of access to his own
11 personnel file.

12 D. Public bodies shall keep confidential the home address,
13 telephone numbers and social security numbers of any person employed
14 or formerly employed by the public body.

15 SECTION 3. AMENDATORY 68 O.S. 2001, Section 2802, is
16 amended to read as follows:

17 Section 2802. As used in Section 2801 et seq. of this title:

18 1. "Accepted standards for mass appraisal practice" means those
19 standards for the collection and analysis of information about
20 taxable properties within a taxing jurisdiction permitting the
21 accurate estimate of fair cash value for similar properties in the
22 jurisdiction either without direct observation of such similar
23 properties or without direct sales price information for such

1 similar properties using a reliable statistical or other method to
2 estimate the values of such properties;

3 2. "Additional homestead exemption" means the exemption
4 provided by Section 2890 of this title;

5 3. "Assessor" means the county assessor and, unless the context
6 clearly requires otherwise, deputy assessors and persons employed by
7 the county assessor in performance of duties imposed by law;

8 4. "Assess and value" means to establish the actual and taxable
9 fair cash value of taxable real and personal property pursuant to
10 requirements of law;

11 5. "Assessed valuation" or "assessed value" means the taxable
12 value of real or personal property either of individual items of
13 personal property or parcels of real property or the aggregate total
14 of such individual taxable items or parcels within a jurisdiction;

15 6. "Assessment ratio" means the relationship between assessed
16 value and taxable fair cash value for a county or for use categories
17 within a county expressed as a percentage determined in the annual
18 equalization ratio study;

19 7. "Assessment roll" means a computerized or noncomputerized
20 record required by law to be kept by the county assessor and
21 containing information about property within a taxing jurisdiction;

1 8. "Assessment year" means the year beginning January 1 of each
2 calendar year and ending on December 31 preceding the following
3 January 1 assessment date;

4 9. "Circuit breaker" means the form of property tax relief
5 provided by Sections 2904 through 2911 of this title;

6 10. "Class of subjects" means a category of property
7 specifically designated pursuant to provisions of the Oklahoma
8 Constitution for purposes of ad valorem taxation;

9 11. "Code" means the Ad Valorem Tax Code, Section 2801 et seq.
10 of this title;

11 12. "Coefficient of dispersion" means a statistical measure of
12 assessment uniformity for a category of property or for all property
13 within a taxing jurisdiction;

14 13. "Confidence level" means a statistical procedure for
15 determining the degree of reliability for use in reporting the
16 assessment ratio for a taxing jurisdiction;

17 14. "Cost approach" means a method used to establish the fair
18 cash value of property involving an estimate of current construction
19 cost of improvements, subtracting accrued depreciation and adding
20 the value of land;

21 15. "County board of equalization" means the board which, upon
22 hearing competent evidence, has the authority to correct and adjust
23 the assessment rolls in its respective county to conform to fair

1 cash value and such other responsibilities as prescribed in Section
2 2801 et seq. of this title;

3 16. "Equalization" means the process for making adjustments to
4 taxable property values within a county by analyzing the
5 relationships between assessed values and fair cash values in one or
6 more use categories within the county or between counties by
7 analyzing the relationship between assessed value and fair cash
8 value in each county;

9 17. "Equalization ratio study" means the analysis of the
10 relationships between assessed values and fair cash values in the
11 manner provided by law;

12 18. "~~Fair~~ Actual fair cash value" means the value or price at
13 which a willing buyer would purchase property and a willing seller
14 would sell property if both parties are knowledgeable about the
15 property and its uses and if neither party is under any undue
16 pressure to buy or sell and for real property shall mean the value
17 for the highest and best use for which such property was actually
18 used, or was previously classified for use, during the calendar year
19 next preceding the applicable January 1 assessment date;

20 19. "Homestead exemption" means the reduction in the taxable
21 value of a homestead as authorized by law;

1 20. "Income and expense approach" means a method to estimate
2 fair cash value of a property by determining the present value of
3 the projected income stream;

4 21. "List and assess" means the process by which taxable
5 property is discovered, its description recorded for purposes of ad
6 valorem taxation and its actual fair cash value and taxable fair
7 cash value are established;

8 22. "Mill" or "millage" means the rate of tax imposed upon
9 taxable value. One (1) mill equals One Dollar (\$1.00) of tax for
10 each One Thousand Dollars (\$1,000.00) of taxable value;

11 23. "Multiple regression analysis" means a statistical
12 technique for estimating unknown data on the basis of known and
13 available data;

14 24. "Parcel" means a contiguous area of land described in a
15 single description by a deed or other instrument or as one of a
16 number of lots on a plat or plan, separately owned and capable of
17 being separately conveyed;

18 25. "Sales comparison approach" means the collection,
19 verification, and screening of sales data, stratification of sales
20 information for purposes of comparison and use of such information
21 to establish the fair cash value of taxable property;

22 26. "State Board of Equalization" means the Board responsible
23 for valuation of railroad, airline and public service corporation

1 property and the adjustment and equalization of all property values
2 both centrally and locally assessed;

3 27. "Taxable value" means the percentage of fair cash value,
4 less applicable exemptions, upon which an ad valorem tax rate is
5 levied pursuant to the provisions of Section 8 of Article X of the
6 Oklahoma Constitution;

7 28. "Taxable fair cash value" means the actual fair cash value
8 of locally assessed real property as capped by Section 8B of Article
9 X of the Oklahoma Constitution;

10 29. "Use category" means a subcategory of real property, that
11 is either agricultural use, residential use or commercial/industrial
12 use but does not and shall not constitute a class of subjects within
13 the meaning of the Oklahoma Constitution for purposes of ad valorem
14 taxation;

15 ~~29.~~ 30. "Use value" means the basis for establishing fair cash
16 value of real property pursuant to the requirement of Section 8 of
17 Article X of the Oklahoma Constitution; and

18 ~~30.~~ 31. "Visual inspection program" means the program required
19 in order to gather data about real property from physical
20 examination of the property and improvements in order to establish
21 the fair cash values of properties so inspected at least once each
22 four (4) years and the fair cash values of similar properties on an
23 annual basis.

1 SECTION 4. AMENDATORY 68 O.S. 2001, Section 2817.1, as
2 amended by Section 8, Chapter 344, O.S.L. 2002 (68 O.S. Supp. 2004,
3 Section 2817.1), is amended to read as follows:

4 Section 2817.1 A. For purposes of implementing Section 8B of
5 Article X of the Oklahoma Constitution, the taxable fair cash value
6 of locally assessed real property shall not be automatically
7 increased five percent (5%) each year, the five-percent limitation
8 on the increase in the taxable fair cash value shall not be
9 cumulative, and the five-percent limitation shall not be considered
10 as a twenty-percent increase every four (4) years.

11 B. For purposes of implementing Section 8B of Article X of the
12 Oklahoma Constitution, improvements made to locally assessed real
13 property shall be assessed in accordance with law by the county
14 assessor based on the fair cash value of the improvement. The
15 assessed value of the improvement shall then be added to the
16 existing assessed value of the property, except as otherwise
17 provided in the Oklahoma Housing Reinvestment Program Act. The
18 existing property shall continue to be subject to the five-percent
19 limitation on the increase in valuation as set forth in Section 8B
20 of Article X of the Oklahoma Constitution. Except when title to the
21 property is transferred, changed, or conveyed to another person as
22 defined in Section 2802.1 of this title, and in accordance with
23 Legislative intent as set forth in subsection A of this section,

1 under no circumstances shall the taxable fair cash value of the
2 existing property increase by more than five percent (5%) in any
3 taxable year.

4 SECTION 5. AMENDATORY 68 O.S. 2001, Section 2842, is
5 amended to read as follows:

6 Section 2842. A. Each county assessor in the state shall
7 annually prepare an assessment roll, which shall be in such form as
8 may be prescribed by the Oklahoma Tax Commission and shall contain
9 the following:

10 1. A list of all lands in the county in numerical order
11 beginning with the lowest numbered section, in the lowest numbered
12 township in the lowest numbered range in the county, and ending in
13 the highest numbered section, township and range, with the number of
14 acres in each tract, and the numbers of the school districts in
15 which such lands are located, and the name and address of the owner
16 in each instance excepting unplatted lands located inside a city or
17 town;

18 2. A list of townlots in each town or city in like numerical
19 order and the unplatted lands located inside each city and town, in
20 numerical order beginning with the lowest numbered section in the
21 lowest numbered township and range with the number of acres in each
22 tract, and the number of the school district in which such lots or

1 tracts are located, and the name and address of the owner in each
2 instance;

3 3. A list in alphabetical order of all persons and bodies
4 corporate in whose names any personal property has been assessed,
5 the address of each such taxpayer, the number of the school district
6 in which such property is taxable, with a sufficient number of
7 columns opposite each name to enter the value, and where practicable
8 the number of the several classes of property assessed to each
9 property owner;

10 4. The value fixed by the county assessor of all property; and
11 additional columns to show the equalized value as fixed by the State
12 Board of Equalization. In listing real estate the value of land and
13 improvements shall be shown separately in each instance; provided,
14 in those counties in this state which have approved an exemption of
15 household goods of the heads of families and livestock employed in
16 support of the family from ad valorem taxation pursuant to the
17 provisions of subsection (b) of Section 6 of Article X of the
18 Oklahoma Constitution, the county assessor may, in preparation of
19 the assessment roll, combine the value of land and improvements
20 thereon; and

21 5. Such other information as may be required by the Tax
22 Commission. Each property in which there is a homestead interest
23 shall be entered on a separate line, and the assessment roll shall

1 show the total assessed valuation of each homestead, the amount of
2 exemption allowed, and the assessed valuation less the exemption.

3 B. The assessment roll shall be ~~correctly balanced and it shall~~
4 ~~be the mandatory duty of the county assessor as outlined under the~~
5 ~~penalties of Section 2943 of this title to deliver the completed~~
6 ~~roll~~ available electronically to the county board of equalization ~~on~~
7 ~~or before the fourth Monday in April of each year~~ while the board is
8 in session, in order that the board may correct and adjust the
9 taxable value of the property of the county. If there should be any
10 lawful adjustments necessary, the board shall inform the county
11 assessor in writing on a form prescribed by the Oklahoma Tax
12 Commission.

13 C. Prior to November 1 each year, the county assessor shall
14 submit on a form prepared by the Tax Commission a report to the Tax
15 Commission which states the net assessed valuation and millage levy
16 of each political subdivision or taxing authority of the state that
17 is authorized to levy a property tax regardless of whether such
18 property tax is actually levied.

19 SECTION 6. AMENDATORY 68 O.S. 2001, Section 2844, is
20 amended to read as follows:

21 Section 2844. A. If any real, personal, railroad, air carrier
22 or public service corporation property is omitted in the assessment
23 of any prior year or years, and the property thereby escapes just

1 and proper taxation, at any time and as soon as such omission is
2 discovered, the county assessor or the county board of equalization,
3 or the State Board of Equalization in the case of public service
4 corporation property or railroad and air carrier property, whose
5 duty it is to assess the class of property which has been omitted,
6 shall at any time cause such property to be entered on the
7 assessment rolls and tax rolls for the year or years omitted, not to
8 exceed the last fifteen (15) years as to real property and the last
9 three (3) years as to personal property, and shall, after reasonable
10 notice to the parties affected, in order that they be heard, assess
11 such omitted property for said periods and cause to be extended
12 against the same on the tax rolls for the current year all arrearage
13 of taxes properly accruing against it, including therein interest
14 ~~thereon~~ at the lawful rate of ~~twelve percent (12%) per annum~~ as set
15 forth in Section 2913 of this title, calculated from the time such
16 tax should have become delinquent.

17 B. If any tax on property subject to taxation is prevented from
18 being collected for any year or years by reason of any erroneous
19 proceedings, or failure to give notice, or otherwise, the amount of
20 such tax which such property should have paid or should have been
21 paid thereon shall be added to the tax on such property for the
22 current year, and if for want of sufficient time or for any cause
23 such assessment cannot be entered, and the tax thereon extended on

1 the tax rolls for the current year, the same shall be done the
2 following year.

3 SECTION 7. This act shall become effective November 1, 2005.

4 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 4-5-05 - DO PASS.