STATE OF OKLAHOMA

1st Session of the 50th Legislature (2005)

HOUSE BILL 1728 By: Harrison

AS INTRODUCED

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 <u>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</u>. The clerk shall write in plain, legible letters across that part of the plat so vacated the word "Vacated". <u>The county clerk shall provide a copy of the metes and bounds legal description of the property being vacated as furnished by the petitioner to the county assessor.</u> The clerk shall also note

on the original plat a reference to the decree or instrument and the volume and page where recorded.

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

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

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

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

B. All personnel records not specifically falling within the exceptions provided in subsection A of this section shall be available for public inspection and copying including, but not limited to, records of:

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

2. The gross receipts of public funds;

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

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

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

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

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

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

1. "Accepted standards for mass appraisal practice" means those standards for the collection and analysis of information about taxable properties within a taxing jurisdiction permitting the accurate estimate of fair cash value for similar properties in the jurisdiction either without direct observation of such similar properties or without direct sales price information for such similar properties using a reliable statistical or other method to estimate the values of such properties;

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

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

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

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

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

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

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

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

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

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

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

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

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

15. "County board of equalization" means the board which, upon hearing competent evidence, has the authority to correct and adjust the assessment rolls in its respective county to conform to fair cash value and such other responsibilities as prescribed in Section 2801 et seq. of this title;

16. "Equalization" means the process for making adjustments to taxable property values within a county by analyzing the relationships between assessed values and fair cash values in one or more use categories within the county or between counties by

analyzing the relationship between assessed value and fair cash value in each county;

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

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

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

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

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

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

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

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

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

26. "State Board of Equalization" means the Board responsible for valuation of railroad, airline and public service corporation property and the adjustment and equalization of all property values both centrally and locally assessed;

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

28. "Taxable fair cash value" means the actual fair cash value of locally assessed real property as capped by Section 8B of Article 10 of the Oklahoma Constitution;

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

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

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

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

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

B. For purposes of implementing Section 8B of Article X of the Oklahoma Constitution, improvements made to locally assessed real property shall be assessed in accordance with law by the county assessor based on the fair cash value of the improvement. The assessed value of the improvement shall then be added to the existing assessed value of the property, except as otherwise provided in the Oklahoma Housing Reinvestment Program Act. The existing property shall continue to be subject to the five-percent limitation on the increase in valuation as set forth in Section 8B of Article X of the Oklahoma Constitution. Except when title to the property is transferred, changed, or conveyed to another person as defined in Section 2802.1 of this title, and in accordance with Legislative intent as set forth in subsection A of this section, under no circumstances shall the taxable fair cash value of the existing property increase by more than five percent (5%) in any taxable year.

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

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

1. A list of all lands in the county in numerical order beginning with the lowest numbered section, in the lowest numbered township in the lowest numbered range in the county, and ending in

the highest numbered section, township and range, with the number of acres in each tract, and the numbers of the school districts in which such lands are located, and the name and address of the owner in each instance excepting unplatted lands located inside a city or town;

2. A list of town lots in each town or city in like numerical order and the unplatted lands located inside each city and town, in numerical order beginning with the lowest numbered section in the lowest numbered township and range with the number of acres in each tract, and the number of the school district in which such lots or tracts are located, and the name and address of the owner in each instance;

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

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

5. Such other information as may be required by the Tax Commission. Each property in which there is a homestead interest

shall be entered on a separate line, and the assessment roll shall show the total assessed valuation of each homestead, the amount of exemption allowed, and the assessed valuation less the exemption.

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

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

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

Section 2844. A. If any real, personal, railroad, air carrier or public service corporation property is omitted in the assessment of any prior year or years, and the property thereby escapes just and proper taxation, at any time and as soon as such omission is discovered, the county assessor or the county board of equalization, or the State Board of Equalization in the case of public service corporation property or railroad and air carrier property, whose duty it is to assess the class of property which has been omitted, shall at any time cause such property to be entered on the assessment rolls and tax rolls for the year or years omitted, not to exceed the last fifteen (15) years as to real property and the last

three (3) years as to personal property, and shall, after reasonable notice to the parties affected, in order that they be heard, assess such omitted property for said periods and cause to be extended against the same on the tax rolls for the current year all arrearage of taxes properly accruing against it, including therein interest ~~thereon~~ at the lawful rate ~~of twelve percent (12%) per annum~~ as set forth in Section 2913 of this title, calculated from the time such tax should have become delinquent.

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

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

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