

1 STATE OF OKLAHOMA

2 1st Session of the 51st Legislature (2007)

3 COMMITTEE SUBSTITUTE
4 FOR
5 HOUSE JOINT
6 RESOLUTION NO. 1009

By: Liebmann

7 COMMITTEE SUBSTITUTE

8 (proposed amendment to Sections 8B and 8C of Article
9 X of the Constitution of the State of Oklahoma -
10 annual maximum increases in fair cash value for
11 certain property - ballot titles -
12 filing)

13
14
15
16 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE
17 1ST SESSION OF THE 51ST OKLAHOMA LEGISLATURE:

18 SECTION 1. The Secretary of State shall refer to the people for
19 their approval or rejection, as and in the manner provided by law,
20 the following proposed amendment to Section 8B of Article X of the
21 Constitution of the State of Oklahoma to read as follows:

22 Section 8B. A. Despite any provision to the contrary, and
23 except as provided by subsection B of this section, the fair cash
24

1 value of any parcel of locally assessed real property shall not
2 increase by more than five percent (5%).

3 B. Despite any provision to the contrary, the fair cash value
4 of any parcel of locally assessed real property eligible for a
5 homestead exemption and occupied by one or more natural persons as
6 the principal residence shall not increase more than three percent
7 (3%) or the increase in the Consumer Price Index-All Urban Consumer
8 for the year preceding the applicable assessment year, whichever is
9 less, in any taxable year.

10 C. The provisions of this section shall not apply in any year
11 when title to the property is transferred, changed, or conveyed to
12 another person or when improvements have been made to the property.
13 If title to the property is transferred, changed, or conveyed to
14 another person, the property shall be assessed for that year based
15 on the fair cash value as set forth in Section 8 of Article X of
16 this Constitution. If any improvements are made to the property,
17 the increased value to the property as a result of the improvement
18 shall be assessed for that year based on the fair cash value as set
19 forth in Section 8 of Article X of this Constitution.

20 D. The provisions of this section shall be effective January 1,
21 1997, and thereafter for counties which are in compliance with the
22 applicable law or administrative regulations governing valuation of
23 locally assessed real property as of such date. For counties which
24 are not in compliance with such law or regulations as of January 1,

1 1997, the provisions of this section shall be effective January 1 of
2 the year following the date the county is deemed to be in compliance
3 with such laws or regulations as provided by law.

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

7 F. The Legislature shall enact any laws necessary to implement
8 the provisions of this section.

9 SECTION 2. The Ballot Title for the proposed Constitutional
10 amendment as set forth in SECTION 1 of this resolution shall be in
11 the following form:

12 BALLOT TITLE

13 Legislative Referendum No. _____ State Question No. _____

14 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

15 This measure amends the Oklahoma Constitution. It amends
16 Section 8B of Article 10. This section relates to the property
17 tax. The law limits the amount by which the market value of
18 some types of property can increase each year. This value is
19 known as fair cash value. This limit applies to real property
20 that is assessed by the local county assessor. The law limits
21 the increase to five percent each year. This measure would
22 change the annual limit to three percent or an amount determined
23 by an economic index. This index is the Consumer Price Index.
24 The limit would be the lower of three percent or the change in

1 the Consumer Price Index. This limit would apply to real
2 property occupied as the principal residence. These changes
3 would be in effect beginning January 1, 2009.

4 SHALL THE PROPOSAL BE APPROVED?

5 FOR THE PROPOSAL - YES _____

6 AGAINST THE PROPOSAL - NO _____

7 SECTION 3. The Secretary of State shall refer to the people for
8 their approval or rejection, as and in the manner provided by law,
9 the following proposed amendment to Section 8C of Article X of the
10 Constitution of the State of Oklahoma to read as follows:

11 Section 8C. ~~A-~~ Despite any provision to the contrary,
12 beginning January 1, ~~2005~~ 2009, the fair cash value, as determined
13 by law, on each homestead of an individual head of household ~~whose~~
14 ~~gross household income from all sources for the preceding calendar~~
15 ~~year did not exceed an amount as provided in subsection B of this~~
16 ~~section, and~~ which individual head of household is sixty-five (65)
17 years of age or older, shall not exceed the fair cash value placed
18 upon the property during the first year in which the individual head
19 of household was sixty-five (65) years of age or older ~~and had gross~~
20 ~~household income from all sources which did not exceed an amount as~~
21 ~~provided in subsection B of this section.~~ Subject to the
22 limitations of this section, the fair cash value shall not exceed
23 such amount as long as the individual head of household who is
24 sixty-five (65) years of age or older owns and occupies the property

1 ~~and as long as the gross household income from all sources does not~~
2 ~~exceed an amount as provided in subsection B of this section. If~~
3 any improvements are made to the property, the fair cash value of
4 the improvements shall be assessed in accordance with law by the
5 county assessor and added to the assessed value of the property.
6 Once the fair cash value of the improvements has been added to the
7 fair cash value of the property, the total fair cash value shall not
8 exceed the revised valuation of the property so long as the
9 individual head of household who is sixty-five (65) years of age or
10 older owns and occupies the property ~~and so long as the gross~~
11 ~~household income from all sources does not exceed an amount as~~
12 ~~provided in subsection B of this section. For any individual head~~
13 of household who is sixty-five (65) years of age or older prior to
14 January 1, 1997, and has gross household income from all sources of
15 Twenty-five Thousand Dollars (\$25,000.00) or less in calendar year
16 1996, the fair cash value of the real property shall be the fair
17 cash value placed upon the property on January 1, 1997. If the
18 individual head of household ceases to own and occupy the property
19 ~~or if the gross household income from all sources exceeds an amount~~
20 ~~as provided in subsection B of this section, the fair cash value of~~
21 the property shall be determined as if the provisions of Section 8
22 of Article X of the Constitution of the State of Oklahoma or any
23 other provisions relating to a limitation on the fair cash value of
24

1 locally assessed real property had been in effect during the time
2 the property was valued pursuant to the provisions of this section.

3 ~~B. The income threshold for the gross household income from all
4 sources for an individual head of household under this section shall
5 not exceed the amount determined by the United States Department of
6 Housing and Urban Development to be the estimated median income for
7 the preceding year for the county or metropolitan statistical area
8 which includes such county. The Oklahoma Tax Commission shall
9 provide such information to each county assessor each year as soon
10 as such information becomes available.~~

11 SECTION 4. The Ballot Title for the proposed Constitutional
12 amendment as set forth in SECTION 3 of this resolution shall be in
13 the following form:

14 BALLLOT TITLE
15 Legislative Referendum No. _____ State Question No. _____

16 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

17 This measure amends the Oklahoma Constitution. It amends
18 Section 8C of Article 10. Persons aged 65 or older who own a
19 homestead can qualify for a property tax benefit. A homestead
20 owned by such persons will not be subject to increases in value
21 for property tax purposes. This value is known as fair cash
22 value. The law limits the amount of income persons may have in
23 order to qualify for this benefit. This measure would allow any
24 person age 65 or older regardless of income to have this

1 benefit. The homestead of these persons would not be subject to
2 any further increases in fair cash value. This change would
3 become effective January 1, 2009.

4 SHALL THE PROPOSAL BE APPROVED?

5 FOR THE PROPOSAL - YES _____

6 AGAINST THE PROPOSAL - NO _____

7 SECTION 5. The Chief Clerk of the House of Representatives,
8 immediately after the passage of this resolution, shall prepare and
9 file one copy thereof, including the Ballot Title set forth in
10 SECTIONS 2 and 4 hereof, with the Secretary of State and one copy
11 with the Attorney General.

12
13 51-1-7519 LRB 03/06/07