

EHB 3229

THE STATE SENATE
Monday, April 7, 2008

ENGROSSED

House Bill No. 3229

As Amended

ENGROSSED HOUSE BILL NO. 3229 - By: Key, Terrill, Banz and Cooksey
of the House and Brogdon of the Senate.

(school funding - Disputed Ad Valorem Tax Fund - investment
of certain ad valorem taxes - protested funds - effective
date -
emergency)

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

SECTION 1. AMENDATORY 68 O.S. 2001, Section 2867, is
amended to read as follows:

Section 2867. A. As soon as practicable after the assessment
rolls are corrected and adjusted by the county board of equalization
through the first Monday in June, the county assessor shall make out
an abstract thereof, containing the total amount of property listed
under the various classifications appearing on the blank forms for
the listing and assessment of property, and the total value of each
class, and it shall be the mandatory duty of the county assessor
under the penalties as outlined pursuant to Section 2943 of this
title, to transmit this abstract to the Oklahoma Tax Commission not
later than June 15 of each year or the first working day thereafter,
unless delayed by court action or other causes beyond his control.

1 B. It is hereby specifically provided that where any county
2 assessor fails to comply with the provisions of this section by the
3 time herein required, the Oklahoma Tax Commission shall immediately
4 notify the chairman of the board of county commissioners and the
5 county clerk of such county and neither such county assessor nor any
6 of his deputies or employees shall be paid any remuneration,
7 compensation or salary for the month of June and each succeeding
8 month thereafter until such abstract is transmitted to the Oklahoma
9 Tax Commission. This penalty provision shall be cumulative to the
10 penalty provisions and requirements of Section 2943 of this title.

11 C. It shall be the duty of the Oklahoma Tax Commission to
12 furnish the necessary forms for such abstract, which forms shall be
13 subject to approval by the State Auditor and Inspector.

14 D. Within ten (10) days after the county assessor of each
15 county receives from the State Board of Equalization the
16 certificates of assessment of all railroads, air carriers and public
17 service corporations, and the equalized value of real and personal
18 property of such county, it shall be the duty of the county assessor
19 to prepare and file with the county excise board an abstract of the
20 assessed valuations of the county and each municipal subdivision
21 thereof as shown by ~~his~~ the records through that date; ~~and said.~~
22 The county assessor shall omit and show as a separate item any ad
23 valorem taxable value of real or personal property the fair cash

1 value of which has been protested for that assessment year of which
2 the county assessor has been made aware. The abstract shall show
3 separately the valuations of all personal property, real property,
4 railroad and air carrier property and public service corporation
5 property, in each municipality, and shall be properly totaled and
6 balanced.

7 SECTION 2. AMENDATORY 70 O.S. 2001, Section 18-200.1, as
8 last amended by Section 1, Chapter 90, O.S.L. 2005 (70 O.S. Supp.
9 2007, Section 18-200.1), is amended to read as follows:

10 Section 18-200.1 A. Beginning with the 1997-98 school year,
11 and each school year thereafter, each school district shall have its
12 initial allocation of State Aid calculated based on the state
13 dedicated revenues actually collected during the preceding fiscal
14 year, the adjusted assessed valuation of the preceding year and the
15 highest weighted average daily membership for the school district of
16 the two (2) preceding school years. Each school district shall
17 submit the following data based on the first nine (9) weeks, to be
18 used in the calculation of the average daily membership of the
19 school district:

- 20 1. Student enrollment by grade level;
- 21 2. Pupil category counts; and
- 22 3. Transportation supplement data.

1 On or before December 30, the State Department of Education
2 shall determine each school district's current year allocation
3 pursuant to subsection D of this section. The State Department of
4 Education shall complete an audit, using procedures established by
5 the Department, of the student enrollment by grade level data, pupil
6 category counts and transportation supplement data to be used in the
7 State Aid Formula pursuant to subsection D of this section by
8 December 1 and by January 15 shall notify each school district of
9 the district's final State Aid allocation for the current school
10 year. The January payment of State Aid and each subsequent payment
11 for the remainder of the school year shall be based on the final
12 State Aid allocation as calculated in subsection D of this section.
13 Except for reductions made due to the assessment of penalties by the
14 State Department of Education according to law, the January payment
15 of State Aid and each subsequent payment for the remainder of the
16 school year shall not decrease by an amount more than the amount
17 that the current chargeable revenue increases for that district.

18 B. The State Department of Education shall retain not less than
19 one and one-half percent (1 1/2%) of the total funds appropriated
20 for financial support of schools, to be used to make midyear
21 adjustments in State Aid and which shall be reflected in the final
22 allocations. If the amount of appropriated funds, including the one
23 and one-half percent (1 1/2%) retained, remaining after January 1 of

1 each year is not sufficient to fully fund the final allocations, the
2 Department shall recalculate each school district's remaining
3 allocation pursuant to subsection D of this section using the
4 reduced amount of appropriated funds.

5 C. On and after July 1, 1997, the amount of State Aid each
6 district shall receive shall be the sum of the Foundation Aid, the
7 Salary Incentive Aid and the Transportation Supplement, as adjusted
8 pursuant to the provisions of subsection G of this section and
9 Section 18-112.2 of this title; provided, no district having per
10 pupil revenue in excess of three hundred percent (300%) of the
11 average per pupil revenue of all districts shall receive any State
12 Aid or Supplement in State Aid.

13 The July calculation of per pupil revenue shall be determined by
14 dividing the district's second preceding year's total weighted
15 average daily membership (ADM) into the district's second preceding
16 year's total revenues excluding federal revenue, insurance loss
17 payments, reimbursements, recovery of overpayments and refunds,
18 unused reserves, prior expenditures recovered, prior year surpluses,
19 and less the amount of any transfer fees paid in that year.

20 The December calculation of per pupil revenue shall be
21 determined by dividing the district's preceding year's total
22 weighted average daily membership (ADM) into the district's
23 preceding year's total revenues excluding federal revenue, insurance

1 loss payments, reimbursements, recovery of overpayments and refunds,
2 unused reserves, prior expenditures recovered, prior year surpluses,
3 and less the amount of any transfer fees paid in that year.

4 D. For the 1997-98 school year, and each school year
5 thereafter, Foundation Aid, the Transportation Supplement and Salary
6 Incentive Aid shall be calculated as follows:

7 1. Foundation Aid shall be determined by subtracting the amount
8 of the Foundation Program Income from the cost of the Foundation
9 Program and adding to this difference the Transportation Supplement.

10 a. The Foundation Program shall be a district's highest
11 weighted average daily membership based on the first
12 nine (9) weeks of the current school year, the
13 preceding school year or the second preceding school
14 year of a school district, as determined by the
15 provisions of subsection A of Section 18-201.1 of this
16 title and paragraphs 1, 2, 3 and 4 of subsection B of
17 Section 18-201.1 of this title, multiplied by the Base
18 Foundation Support Level.

19 b. The Foundation Program Income shall be the sum of the
20 following:

21 (1) The adjusted assessed valuation of the current
22 school year of the school district, minus the
23 ~~previous year protested ad valorem tax revenues~~

1 ~~held as prescribed in Section 2884 of Title 68 of~~
2 ~~the Oklahoma Statutes~~ taxable value which has
3 been omitted from the abstract prepared by the
4 county assessor as prescribed in Section 2867 of
5 Title 68 of the Oklahoma Statutes, multiplied by
6 the mills levied pursuant to subsection (c) of
7 Section 9 of Article X of the Oklahoma
8 Constitution, if applicable, as adjusted in
9 subsection (c) of Section 8A of Article X of the
10 Oklahoma Constitution. For purposes of this
11 subsection, the "adjusted assessed valuation of
12 the current school year" shall be the adjusted
13 assessed valuation on which tax revenues are
14 collected during the current school year, and
15 (2) Seventy-five percent (75%) of the amount received
16 by the school district from the proceeds of the
17 county levy during the preceding fiscal year, as
18 levied pursuant to subsection (b) of Section 9 of
19 Article X of the Oklahoma Constitution, and
20 (3) Motor Vehicle Collections, and
21 (4) Gross Production Tax, and
22 (5) State Apportionment, and
23 (6) R.E.A. Tax.

1 The items listed in divisions (3), (4), (5), and (6)
 2 of this subparagraph shall consist of the amounts
 3 actually collected from such sources during the
 4 preceding fiscal year calculated on a per capita basis
 5 on the unit provided for by law for the distribution
 6 of each such revenue.

7 2. The Transportation Supplement shall be equal to the average
 8 daily haul times the per capita allowance times the appropriate
 9 transportation factor.

10 a. The average daily haul shall be the number of children
 11 in a district who are legally transported and who live
 12 one and one-half (1 1/2) miles or more from school.

13 b. The per capita allowance shall be determined using the
 14 following chart:

| | PER CAPITA | | PER CAPITA | |
|----------------|------------|-----------------|------------|--|
| DENSITY FIGURE | ALLOWANCE | DENSITY FIGURE | ALLOWANCE | |
| .3000 - .3083 | \$167.00 | .9334 - .9599 | \$99.00 | |
| .3084 - .3249 | \$165.00 | .9600 - .9866 | \$97.00 | |
| .3250 - .3416 | \$163.00 | .9867 - 1.1071 | \$95.00 | |
| .3417 - .3583 | \$161.00 | 1.1072 - 1.3214 | \$92.00 | |
| .3584 - .3749 | \$158.00 | 1.3215 - 1.5357 | \$90.00 | |
| .3750 - .3916 | \$156.00 | 1.5358 - 1.7499 | \$88.00 | |
| .3917 - .4083 | \$154.00 | 1.7500 - 1.9642 | \$86.00 | |

| | | | | |
|----|---------------|----------|-----------------|---------|
| 1 | .4084 - .4249 | \$152.00 | 1.9643 - 2.1785 | \$84.00 |
| 2 | .4250 - .4416 | \$150.00 | 2.1786 - 2.3928 | \$81.00 |
| 3 | .4417 - .4583 | \$147.00 | 2.3929 - 2.6249 | \$79.00 |
| 4 | .4584 - .4749 | \$145.00 | 2.6250 - 2.8749 | \$77.00 |
| 5 | .4750 - .4916 | \$143.00 | 2.8750 - 3.1249 | \$75.00 |
| 6 | .4917 - .5083 | \$141.00 | 3.1250 - 3.3749 | \$73.00 |
| 7 | .5084 - .5249 | \$139.00 | 3.3750 - 3.6666 | \$70.00 |
| 8 | .5250 - .5416 | \$136.00 | 3.6667 - 3.9999 | \$68.00 |
| 9 | .5417 - .5583 | \$134.00 | 4.0000 - 4.3333 | \$66.00 |
| 10 | .5584 - .5749 | \$132.00 | 4.3334 - 4.6666 | \$64.00 |
| 11 | .5750 - .5916 | \$130.00 | 4.6667 - 4.9999 | \$62.00 |
| 12 | .5917 - .6133 | \$128.00 | 5.0000 - 5.5000 | \$59.00 |
| 13 | .6134 - .6399 | \$125.00 | 5.5001 - 6.0000 | \$57.00 |
| 14 | .6400 - .6666 | \$123.00 | 6.0001 - 6.5000 | \$55.00 |
| 15 | .6667 - .6933 | \$121.00 | 6.5001 - 7.0000 | \$53.00 |
| 16 | .6934 - .7199 | \$119.00 | 7.0001 - 7.3333 | \$51.00 |
| 17 | .7200 - .7466 | \$117.00 | 7.3334 - 7.6667 | \$48.00 |
| 18 | .7467 - .7733 | \$114.00 | 7.6668 - 8.0000 | \$46.00 |
| 19 | .7734 - .7999 | \$112.00 | 8.0001 - 8.3333 | \$44.00 |
| 20 | .8000 - .8266 | \$110.00 | 8.3334 - 8.6667 | \$42.00 |
| 21 | .8267 - .8533 | \$108.00 | 8.6668 - 9.0000 | \$40.00 |
| 22 | .8534 - .8799 | \$106.00 | 9.0001 - 9.3333 | \$37.00 |
| 23 | .8800 - .9066 | \$103.00 | 9.3334 - 9.6667 | \$35.00 |

1 .9067 - .9333 \$101.00 9.6668 or more \$33.00

2 c. The formula transportation factor shall be 1.39.

3 3. Salary Incentive Aid shall be determined as follows:

4 a. Multiply the Incentive Aid guarantee by the district's
5 highest weighted average daily membership based on the
6 first nine (9) weeks of the current school year, the
7 preceding school year or the second preceding school
8 year of a school district, as determined by the
9 provisions of subsection A of Section 18-201.1 of this
10 title and paragraphs 1, 2, 3 and 4 of subsection B of
11 Section 18-201.1 of this title.

12 b. Divide the district's adjusted assessed valuation of
13 the current school year minus the ~~previous year's~~
14 ~~protested ad valorem tax revenues held as prescribed~~
15 taxable value which has been omitted from the abstract
16 prepared by the county assessor as prescribed in
17 Section ~~2884~~ 2867 of Title 68 of the Oklahoma
18 Statutes, by one thousand (1,000) and subtract the
19 quotient from the product of subparagraph a of this
20 paragraph. The remainder shall not be less than zero
21 (0).

22 c. Multiply the number of mills levied for general fund
23 purposes above the fifteen (15) mills required to

1 support Foundation Aid pursuant to division (1) of
2 subparagraph b of paragraph 1 of this subsection, not
3 including the county four-mill levy, by the remainder
4 of subparagraph b of this paragraph. The product
5 shall be the Salary Incentive Aid of the district.

6 E. By June 30, 1998, the State Department of Education shall
7 develop and the Department and all school districts shall have
8 implemented a student identification system which is consistent with
9 the provisions of subsections C and D of Section 3111 of Title 74 of
10 the Oklahoma Statutes. The student identification system shall be
11 used specifically for the purpose of reporting enrollment data by
12 school sites and by school districts, the administration of the
13 Oklahoma School Testing Program Act, the collection of appropriate
14 and necessary data pursuant to the Oklahoma Educational Indicators
15 Program, determining student enrollment, establishing a student
16 mobility rate, allocation of the State Aid Formula and mid-year
17 adjustments in funding for student growth. This enrollment data
18 shall be submitted to the State Department of Education in
19 accordance with rules promulgated by the State Board of Education.
20 Funding for the development, implementation, personnel training and
21 maintenance of the student identification system shall be set out in
22 a separate line item in the allocation section of the appropriation
23 bill for the State Board of Education for each year.

1 F. 1. In the event that ad valorem taxes of a school district
2 are determined to be uncollectible because of bankruptcy, clerical
3 error, or a successful tax protest, and the amount of such taxes
4 deemed uncollectible exceeds Fifty Thousand Dollars (\$50,000.00) or
5 an amount greater than twenty-five percent (25%) of ad valorem taxes
6 per tax year, or the valuation of a district is lowered by order of
7 the State Board of Equalization, the school district's State Aid,
8 for the school year that such ad valorem taxes are calculated in the
9 State Aid Formula, shall be determined by subtracting the net
10 assessed valuation of the property upon which taxes were deemed
11 uncollectible from the assessed valuation of the school district and
12 the state. Upon request of the local board of education, it shall
13 be the duty of the county assessor to certify to the Director of
14 Finance of the State Department of Education the net assessed
15 valuation of the property upon which taxes were determined
16 uncollectible.

17 2. In the event that the amount of funds a school district
18 receives for reimbursement from the Ad Valorem Reimbursement Fund is
19 less than the amount of funds claimed for reimbursement by the
20 school district due to insufficiency of funds as provided in Section
21 193 of Title 62 of the Oklahoma Statutes, then the school district's
22 assessed valuation for the school year that such ad valorem

1 reimbursement is calculated in the State Aid Formula shall be
2 adjusted accordingly.

3 G. 1. Notwithstanding the provisions of Section 18-112.2 of
4 this title, a school district shall have its State Aid reduced by an
5 amount equal to the amount of carryover in the general fund of the
6 district as of June 30 of the preceding fiscal year, that is in
7 excess of the following standards for two consecutive years:

| 8 | Total Amount of | Amount of |
|----|----------------------------|--------------|
| 9 | General Fund Collections, | General Fund |
| 10 | Excluding Previous Year | Balance |
| 11 | Cash Surplus as of June 30 | Allowable |
| 12 | Less than \$1,000,000 | 40% |
| 13 | \$1,000,000 - \$2,999,999 | 35% |
| 14 | \$3,000,000 - \$3,999,999 | 30% |
| 15 | \$4,000,000 - \$4,999,999 | 25% |
| 16 | \$5,000,000 - \$5,999,999 | 20% |
| 17 | \$6,000,000 - \$7,999,999 | 18% |
| 18 | \$8,000,000 - \$9,999,999 | 16% |
| 19 | \$10,000,000 or more | 14% |

20 2. By February 1 the State Department of Education shall send
21 by certified mail, with return receipt requested, to each School
22 District Superintendent, Auditor and Regional Accreditation Officer
23 a notice of and calculation sheet reflecting the general fund

1 balance penalty to be assessed against that school district.
2 Calculation of the general fund balance penalty shall not include
3 federal revenue. Within thirty (30) days of receipt of this written
4 notice the school district shall submit to the Department a written
5 reply either accepting or protesting the penalty to be assessed
6 against the district. If protesting, the school district shall
7 submit with its reply the reasons for rejecting the calculations and
8 documentation supporting those reasons. The Department shall review
9 all school district penalty protest documentation and notify each
10 district by March 15 of its finding and the final penalty to be
11 assessed to each district. General fund balance penalties shall be
12 assessed to all school districts by April 1.

13 3. Any school district which receives proceeds from a tax
14 settlement or a Federal Emergency Management Agency settlement
15 during the last two (2) months of the preceding fiscal year shall be
16 exempt from the penalties assessed in this subsection, if the
17 penalty would occur solely as a result of receiving funds from the
18 tax settlement.

19 4. Any school district which receives an increase in State Aid
20 because of a change in Foundation and/or Salary Incentive Aid
21 factors during the last two (2) months of the preceding fiscal year
22 shall be exempt from the penalties assessed in this subsection, if

1 the penalty would occur solely as a result of receiving funds from
2 the increase in State Aid.

3 5. If a school district does not receive Foundation and/or
4 Salary Incentive Aid during the preceding fiscal year, the State
5 Board of Education may waive the penalty assessed in this subsection
6 if the penalty would result in a loss of more than forty percent
7 (40%) of the remaining State Aid to be allocated to the school
8 district between April 1 and the remainder of the school year and if
9 the Board determines the penalty will cause the school district not
10 to meet remaining financial obligations.

11 6. Any school district which receives gross production revenue
12 apportionment during the 2002-2003 school year or in any subsequent
13 school year that is greater than the gross production revenue
14 apportionment of the preceding school year shall be exempt from the
15 penalty assessed in this subsection, if the penalty would occur
16 solely as a result of the gross production revenue apportionment, as
17 determined by the State Board of Education.

18 7. Beginning July 1, 2003, school districts that participate in
19 consolidation or annexation pursuant to the provisions of the
20 Oklahoma School Voluntary Consolidation and Annexation Act shall be
21 exempt from the penalty assessed in this subsection for the school
22 year in which the consolidation or annexation occurs and for the
23 next three (3) fiscal years.

1 8. Any school district which receives proceeds from a sales tax
2 levied by a municipality pursuant to Section 22-159 of Title 11 of
3 the Oklahoma Statutes or proceeds from a sales tax levied by a
4 county pursuant to Section 1370 of Title 68 of the Oklahoma Statutes
5 during the 2003-2004 school year or the 2004-2005 school year shall
6 be exempt from the penalties assessed in this subsection, if the
7 penalty would occur solely as a result of receiving funds from the
8 sales tax levy.

9 9. For purposes of calculating the general fund balance
10 penalty, the terms "carryover" and "general fund balance" shall not
11 include federal revenue.

12 H. In order to provide startup funds for the implementation of
13 early childhood programs, State Aid may be advanced to school
14 districts that initially start early childhood instruction at a
15 school site. School districts that desire such advanced funding
16 shall make application to the State Department of Education no later
17 than September 15 of each year and advanced funding shall be awarded
18 to the approved districts no later than October 30. The advanced
19 funding shall not exceed the per pupil amount of State Aid as
20 calculated in subsection D of this section per anticipated Head
21 Start eligible student. The total amount of advanced funding shall
22 be proportionately reduced from the monthly payments of the

1 district's State Aid payments during the last six (6) months of the
2 same fiscal year.

3 I. 1. Beginning July 1, 1996, the Oklahoma Tax Commission,
4 notwithstanding any provision of law to the contrary, shall report
5 monthly to the Oklahoma State Department of Education the monthly
6 apportionment of the following information:

7 a. the assessed valuation of property,

8 b. motor vehicle collections,

9 c. R.E.A. tax collected, and

10 d. gross productions tax collected.

11 2. Beginning July 1, 1997, the State Auditor and Inspector's
12 Office, notwithstanding any provision of law to the contrary, shall
13 report monthly to the Oklahoma State Department of Education the
14 monthly apportionment of the proceeds of the county levy.

15 3. Beginning July 1, 1996, the Commissioners of the Land
16 Office, notwithstanding any provision of law to the contrary, shall
17 report monthly to the State Department of Education the monthly
18 apportionment of state apportionment.

19 4. Beginning July 1, 1997, the county treasurers' offices,
20 notwithstanding any provision of law to the contrary, shall report
21 monthly to the Oklahoma State Department of Education the ad valorem
22 tax protest amounts for each county.

1 5. The information reported by the Tax Commission, the State
2 Auditor and Inspector's Office, the county treasurers' offices and
3 the Commissioners of the Land Office, pursuant to this subsection
4 shall be reported by school district on forms developed by the State
5 Department of Education.

6 SECTION 3. AMENDATORY 68 O.S. 2001, Section 2884, is
7 amended to read as follows:

8 Section 2884. A. The full amount of the taxes assessed against
9 the property of any taxpayer who has appealed from a decision
10 affecting the value or taxable status of such property as provided
11 by law shall be paid at the time and in the manner provided by law.
12 If at the time such taxes or any part thereof become delinquent and
13 any such appeal is pending, it shall abate and be dismissed upon a
14 showing that the taxes have not been paid.

15 B. When such taxes are paid, or by December 31, whichever is
16 earlier, the persons protesting the taxes shall give notice to the
17 county treasurer that an appeal involving such taxes has been taken
18 and is pending, and shall set forth the total amount of tax that has
19 been paid under protest or required by law to be paid prior to April
20 1 that will be paid under protest. The notice shall be on a form
21 prescribed by the Tax Commission. If taxes are paid in two equal
22 installments and the amount paid under protest does not exceed fifty
23 percent (50%) of the full amount of assessed taxes, all protested

1 taxes shall be specified in the second installment payment. If such
2 amount does exceed fifty percent (50%) of the full amount of
3 assessed taxes, then the portion of protested taxes that exceeds
4 fifty percent (50%) of the full amount of assessed taxes shall be
5 specified in the first installment payment and the entire second
6 installment shall be specified to be paid under protest. The
7 taxpayer shall attach to such notice a copy of the petition filed in
8 the court or other appellate body in which the appeal was taken.
9 For railroads, air carriers, and public service corporations, the
10 amount of taxes protested shall not exceed the amount of tax
11 calculated on the protested assessed valuation specified in the
12 complaint filed pursuant to the provisions of subsection A of
13 Section 2881 of this title.

14 C. It shall be the duty of the county treasurer to hold taxes
15 paid under protest separate and apart from other taxes collected.
16 Any portion of such taxes not paid under protest shall be
17 apportioned as provided by law. The Except as otherwise provided
18 for in this subsection, the treasurer shall invest the protested
19 taxes in the same manner as the treasurer invests surplus tax funds
20 not paid under protest, but shall select an investment medium which
21 will permit prompt refund or apportionment of the protested taxes
22 upon final determination of the appeal. In cases where the amount
23 of the protested ad valorem taxes by an individual taxpayer is in

1 excess of Twenty Five Thousand Dollars (\$25,000.00), the taxpayer
2 may elect to choose the type of investment and where the investment
3 of the protested funds will be deposited as long as the investment
4 is of a type authorized for the county, the depository institution
5 qualifies as a county depository, and the depository institution is
6 located in the applicable county.

7 D. 1. Prior to January 31 of each year, the county treasurer
8 shall determine the amount of ad valorem taxes paid under protest
9 and those ad valorem taxes that will be paid under protest pursuant
10 to subsection B of this section. The county treasurer shall then
11 notify the State Auditor and Inspector of the total amount of paid
12 protested ad valorem taxes and anticipated protested ad valorem
13 taxes, the total amount of protested taxes and anticipated protested
14 taxes by each individual taxpayer, and how such paid protested ad
15 valorem taxes and anticipated protested ad valorem taxes would have
16 been apportioned to each school district and technology center
17 school district by fund had such amount of protested ad valorem
18 taxes not been protested.

19 2. The State Auditor and Inspector shall compile all of the
20 information submitted by the county treasurers in a format which
21 shall set forth the total amount of paid and anticipated protested
22 taxes for each school district and technology center school district
23 by fund and a total for each school district and technology center

1 school district by fund. This information shall then be submitted
2 by the State Auditor and Inspector to the State Superintendent of
3 Public Instruction, the Director of the Oklahoma Department of
4 Career and Technology Education, the Speaker of the House of
5 Representatives, and the President Pro Tempore of the Senate. If
6 any of the information submitted to the State Auditor and Inspector
7 changes after being submitted, the county treasurer shall notify the
8 State Auditor and Inspector and the State Auditor and Inspector
9 shall submit revised information to the parties enumerated in this
10 paragraph within thirty (30) days of such change.

11 3. Within ten (10) days of the release of the escrowed ad
12 valorem taxes by the county treasurer, as required by subsection ~~E~~ F
13 of this section, the county treasurer shall submit a schedule
14 showing the disposition of the released funds, separated by fund for
15 each school district and technology center school, to the State
16 Auditor and Inspector. The State Auditor and Inspector shall
17 certify the apportionment schedule and transmit a copy to the State
18 Superintendent of Public Instruction and the Director of the
19 Oklahoma Department of Career and Technology Education.

20 4. The State Auditor and Inspector shall promulgate any
21 necessary rules to implement the provisions of this subsection.

22 E. 1. In cases involving taxpayers other than railroads, air
23 carriers, or public service corporations, if upon the final

1 determination of any such appeal, the court shall find that the
2 property was assessed at too great an amount, the board of
3 equalization from whose order the appeal was taken shall certify the
4 corrected valuation of the property of such taxpayers to the county
5 assessor, in accordance with the decision of the court, and shall
6 send a copy of such certificate to the county treasurer. Upon
7 receipt of the corrected certificate of valuation, the county
8 assessor shall compute and certify to the county treasurer the
9 correct amount of taxes payable by the taxpayer. The difference
10 between the amount paid and the correct amount payable, with accrued
11 interest, shall be refunded by the treasurer to the taxpayer upon
12 the taxpayer filing a proper verified claim therefor, and the
13 remainder paid under protest, with accrued interest, shall be
14 apportioned as provided by law.

15 2. If upon the final determination of any appeal, the court
16 shall find that the property of the railroad, air carrier, or public
17 service corporation was assessed at too great an amount, the State
18 Board of Equalization from whose order the appeal was taken shall
19 certify the corrected valuation of the property of the railroads,
20 air carriers, and public service corporations to the State Auditor
21 and Inspector in accordance with the decision of the court. Upon
22 receipt of the corrected certificate of valuation, the State Auditor
23 and Inspector shall certify to the county treasurer the correct

1 valuation of the railroad, air carrier, or public service
2 corporation and shall send a copy of the certificate to the county
3 assessor, who shall make the correction as specified in Section 2871
4 of this title. The difference between the amount paid and the
5 correct amount payable with accrued interest shall be refunded by
6 the treasurer upon the taxpayer filing a proper verified claim, and
7 the remainder paid under protest with accrued interest shall be
8 apportioned according to law.

9 F. If an appeal is upon a question of valuation of the
10 property, then the amount paid under protest by reason of the
11 question of valuation being appealed shall be limited to the amount
12 of taxes assessed against the property for the year in question less
13 the amount of taxes which would be payable by the taxpayer for that
14 year if the valuation of the property asserted by the taxpayer in
15 the appeal were determined by the court to be correct.

16 G. If an appeal is upon a question of assessment of the
17 property, then the amount paid under protest by reason of the
18 question of assessment being appealed shall be limited to the amount
19 of taxes assessed against the property for the year in question less
20 the amount of taxes which would be payable by the taxpayer for that
21 year if the assessment of the property asserted by the taxpayer in
22 the appeal was determined by the court to be correct.

23 SECTION 4. This act shall become effective July 1, 2008.

1 SECTION 5. It being immediately necessary for the preservation
2 of the public peace, health and safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

5 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 4-2-08 - DO
6 PASS, As Amended.