

1 ENGROSSED SENATE AMENDMENTS  
TO  
2 ENGROSSED HOUSE  
BILL NO. 2615

By: Liebmann of the House

and

Stanislawski of the Senate

7 An Act relating to property; amending 60 O.S. 2001,  
8 Section 178.6, as last amended by Section 1, Chapter  
476, O.S.L. 2002 (60 O.S. Supp. 2009, Section 178.6),  
9 which relates to public trusts; modifying provisions  
related to financing of housing; authorizing  
10 refinancing; deleting certain restriction related to  
exempt property; and providing an effective date.

11  
12 AMENDMENT NO. 1. Page 3, line 2, after the period insert

13 "Notwithstanding the provisions of subdivision (b) of division (2)  
14 of subparagraph a of paragraph 8 of Section 2887 of Title 68 of the  
15 Oklahoma Statutes, housing projects which were exempt from ad  
16 valorem taxation immediately before such financing or refinancing  
17 shall not become subject to ad valorem taxation because they are  
18 financed or refinanced by a public trust under this provision."

19 AMENDMENT NO. 2. Page 3, line 8 1/2, insert a new Section 2  
to read

20 "SECTION 2 AMENDATORY 68 O.S. 2001, Section 2887,  
21 as last amended by Section 1, Chapter 254, O.S.L. 2007 (68 O.S.  
22 Supp. 2009, Section 2887), is amended to read as follows:  
23  
24

1 Section 2887.

2 The following property shall be exempt from ad valorem taxation:

3 1. All property of the United States, and such property as may  
4 be exempt by reason of treaty stipulations existing at statehood  
5 between the Indians and the United States government, or by reason  
6 of federal laws in effect at statehood, during the time such  
7 treaties or federal laws are in force and effect. In instances  
8 where a federal agency has obtained title to property through  
9 foreclosure, voluntary or involuntary liquidation or bankruptcy,  
10 which was previously subject to ad valorem taxation, the property  
11 may continue to be assessed for ad valorem taxes if such federal  
12 agency has agreed to pay such taxes;

13 2. All property of this state, and of the counties, school  
14 districts, and municipalities of this state, including property  
15 acquired for the use of such entities pursuant to the terms of a  
16 lease-purchase agreement which provides for the passage of title or  
17 the release of security interest, if applicable, upon payment of all  
18 rental payments and an additional nominal amount;

19 3. All property of any college or school, provided such  
20 property is devoted exclusively and directly to the appropriate  
21 objects of such college or school within this state and all property  
22 used exclusively for nonprofit schools and colleges;

23 4. The books, papers, furniture and scientific or other  
24 apparatus pertaining to any institution, college or society referred

1 to in paragraph 3 of this section, and devoted exclusively and  
2 directly for the purpose above contemplated, and the like property  
3 of students in any such institution or college, while such property  
4 is used for the purpose of their education;

5 5. All fraternal orphan homes and other orphan homes;

6 6. All property used for free public libraries, free museums,  
7 public cemeteries, or free public schools;

8 7. All property used exclusively and directly for fraternal or  
9 religious purposes within this state.

10 For purposes of administering the exemption authorized by this  
11 section and in order to determine whether a single family  
12 residential property is used exclusively and directly for fraternal  
13 or religious purposes, the fair cash value of a single family  
14 residential property, for which an exemption is claimed as  
15 authorized by this subsection, in excess of Two Hundred Fifty  
16 Thousand Dollars (\$250,000.00) for the applicable assessment year  
17 shall not be exempt from taxation;

18 8. All property of any charitable institution organized or  
19 chartered under the laws of this state as a nonprofit or charitable  
20 institution, provided the net income from such property is used  
21 exclusively within this state for charitable purposes and no part of  
22 such income inures to the benefit of any private stockholder,  
23 including property which is not leased or rented to any person other  
24 than a governmental body, a charitable institution or a member of

1 the general public who is authorized to be a tenant in property  
2 owned by a charitable institution under Section 501(c)(3) of the  
3 Internal Revenue Code and which includes but is not limited to an  
4 institution that either:

5 a. additionally satisfies the income standards set forth  
6 in Internal Revenue Service Revenue Procedure 96-32,  
7 which may be audited by the county assessor of the  
8 applicable county, in addition to other requirements  
9 of this subparagraph, as a condition of obtaining and  
10 maintaining the exemption, if:

11 (1) the property provides residential rental  
12 accommodations regardless of whether services or  
13 meals are provided, and

14 (2) the property:  
15 (a) is occupied as of the applicable January 1  
16 assessment date if the structure is a  
17 single-family dwelling, or

18 (b) has an average seventy-five percent (75%)  
19 occupancy rate, based upon the total number  
20 of units suitable for occupancy, during the  
21 calendar year preceding the applicable  
22 January 1 assessment date if the property  
23 contains multiple structures suitable for  
24 multi-family housing. The owner of any

1 property subject to the occupancy  
2 requirements prescribed herein shall submit  
3 a report to the county assessor of the  
4 county in which the property is located no  
5 later than December 15 each year regarding  
6 the occupancy rate for the preceding eleven  
7 (11) months. If the report indicates that  
8 the average occupancy rate was less than  
9 seventy-five percent (75%), the county  
10 assessor shall determine the taxable value  
11 of the property for the succeeding  
12 assessment year and the property shall not  
13 be exempt for any subsequent assessment year  
14 unless the average occupancy rate is at  
15 least seventy-five percent (75%) during the  
16 succeeding eleven-month period. Except as  
17 provided in Section 178.6 of Title 60 of the  
18 Oklahoma Statutes, no ~~no~~ asset consisting of  
19 a single-family or multi-family dwelling  
20 unit owned by an entity the property of  
21 which would otherwise be exempt pursuant to  
22 subparagraph a of this paragraph shall be  
23 exempt from ad valorem taxation if any such  
24 dwelling unit was improved with or acquired

1 with any portion of proceeds from the sale  
2 of obligations issued by any entity  
3 organized pursuant to Section 176 of Title  
4 60 of the Oklahoma Statutes if the interest  
5 income derived from such obligations is  
6 exempt from federal income tax, or

7 b. (1) for a facility constructed prior to January 1,  
8 2006, is a continuum of care retirement community  
9 providing housing for the aged, licensed under  
10 Oklahoma law, owned by a nonprofit entity  
11 recognized by the Internal Revenue Service as a  
12 Section 501(c)(3) tax-exempt entity and located  
13 in a county with a population of more than five  
14 hundred thousand (500,000) according to the  
15 latest Federal Decennial Census, and

16 (2) (a) for a facility in which construction was  
17 completed on or after January 1, 2006, is:

18 i. a continuum of care retirement  
19 community providing housing for the  
20 aged, licensed under Oklahoma law,

21 ii. owned by a nonprofit entity recognized  
22 by the Internal Revenue Service as a  
23 Section 501(c)(3) tax-exempt entity,  
24 and

1                   iii.    located in any county of the state  
2                                    regardless of population, or

3           (b)   for a facility other than a facility  
4                   described by division (1) of subparagraph b  
5                   of this paragraph and which is partially or  
6                   fully constructed prior to January 1, 2006,  
7                   is:

8                   i.    owned and occupied on or after January  
9                                    1, 2006, by an entity that operates a  
10                                   continuum of care retirement community  
11                                   providing housing for the aged,  
12                                   licensed under Oklahoma law,

13                   ii.   owned by a nonprofit entity recognized  
14                                   by the Internal Revenue Service as a  
15                                   Section 501(c)(3) tax-exempt entity,  
16                                   and

17                   iii.   is located in any county of the state  
18                                   regardless of population;

19           9.   All property used exclusively and directly for charitable  
20   purposes within this state, provided the charity using said property  
21   does not pay any rent or remuneration to the owner thereof unless  
22   the owner is a charitable institution described in Section 501(c)(3)  
23   of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), or a  
24

1 veterans' organization described in Section 501(c)(19) of the  
2 Internal Revenue Code, 26 U.S.C., Section 501(c)(19);

3 10. All property of any hospital established, organized and  
4 operated by any person, partnership, association, organization,  
5 trust, or corporation, as a nonprofit and charitable hospital,  
6 provided the property and net income from such hospital are used  
7 directly, solely, and exclusively within this state for charitable  
8 purposes and that no part of such income shall inure to the benefit  
9 of any individual, person, partner, shareholder, or stockholder, and  
10 provided further that such hospital facilities shall be open to the  
11 public without discrimination as to race, color or creed and  
12 regardless of ability to pay, and that such hospital is licensed and  
13 otherwise complies with the laws of this state relating to the  
14 licensing and regulation of hospitals;

15 11. All libraries and office equipment of ministers of the  
16 Gospel actively engaged in ministerial work in the State of  
17 Oklahoma, where said libraries and office equipment are being used  
18 by said ministers in their ministerial work, shall be deemed to be  
19 used exclusively for religious purposes and are declared to be  
20 within the meaning of the term "religious purposes" as used in  
21 Article X, Section 6 of the Constitution of the State of Oklahoma;

22 12. Household goods, tools, implements and livestock of every  
23 person maintaining a home, not exceeding One Hundred Dollars  
24 (\$100.00) in value or One Thousand Dollars (\$1,000.00) in value if

1 Article X, Section 6 of the Oklahoma Constitution provides for an  
2 exemption in such amount; and in addition thereto, there shall be  
3 exempt from taxation on personal property the further sum of Two  
4 Hundred Dollars (\$200.00) to all enlisted and commissioned  
5 personnel, whether on active duty or honorably discharged, who  
6 served in the Armed Forces of the United States during:

- 7 a. the Spanish-American War,
- 8 b. the period beginning on April 6, 1917, and ending on  
9 July 2, 1921,
- 10 c. the period beginning on December 6, 1941, and ending  
11 on such date as the state of national emergency as  
12 declared by the President of the United States shall  
13 cease to exist, or
- 14 d. any other or future period during which a state of  
15 national emergency shall have been or shall be  
16 declared to exist by the Congress or the President of  
17 the United States.

18 All surviving spouses made so by the death of such enlisted or  
19 commissioned personnel, who are bona fide residents of this state,  
20 shall be entitled to the above additional exemption provided in this  
21 paragraph;

22 13. Family portraits;

23 14. All food and fuel provided in kind for the use of the  
24 family not to exceed provisions for one (1) year's time, and all

1 grain and forage necessary to maintain for one (1) year the  
2 livestock used to provide food for the family. No person from whom  
3 pay is received or expected for board shall be considered a member  
4 of the family within the intent and meaning of this paragraph;

5 15. All growing crops; and

6 16. All game animals, fowl and reptile, which are not being grown  
7 for food or sale and which are kept exclusively for propagation  
8 or exhibition, in private grounds or public parks in this  
9 state."

10 and renumber subsequent section

11 AMENDMENT NO. 3. Page 1, strike the title to read

12 "[ property - public trusts -

13 effective date ]"

14 and when the title is restored amend the title to  
15 conform

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