

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED

5 SENATE BILL NO. 314

By: Branan and Mazzei of the  
Senate

6 and

7 Terrill of the House

8  
9 COMMITTEE SUBSTITUTE

10 An Act relating to revenue and taxation; amending 68  
11 O.S. 2001, Sections 2808 and 2847, which relate to  
12 the Ad Valorem Tax Code; modifying definitions;  
13 providing for subclassification of certain property;  
14 imposing duty upon State Board of Equalization with  
15 respect to valuation of certain property; requiring  
16 filing of certain information by video service  
17 providers; requiring computations by State Board of  
18 Equalization; prescribing method for assessment by  
19 State Board of Equalization; and providing an  
20 effective date.

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

22 SECTION 1. AMENDATORY 68 O.S. 2001, Section 2808, is  
23 amended to read as follows:

24 Section 2808. A. As used in the Ad Valorem Tax Code:

1. "Public service corporation" means all transportation  
companies, transmission companies, all gas, electric, light, heat  
and power companies and all waterworks and water power companies,

1 and all persons authorized to exercise the right of eminent domain  
2 or to use or occupy any right-of-way, street, alley, or public  
3 highway, along, over or under the same in a manner not permitted to  
4 the general public;

5 2. "Transportation company" means any company, corporation,  
6 trustee, receiver, or any other person owning, leasing or operating  
7 for hire, a street railway, canal, steamboat line, and also any  
8 sleeping car company, parlor car company and express company, and  
9 any other company, trustee, or person in any way engaged in such  
10 business as a common carrier. As used in the Ad Valorem Tax Code,  
11 the term "transportation company" shall not include any railroad or  
12 any air carrier. However, all railroad and air carrier property  
13 shall continue to be valued and assessed by the State Board of  
14 Equalization for purposes of ad valorem taxation;

15 3. "Transmission company" means any company, corporation,  
16 trustee, receiver, or other person owning, leasing or operating for  
17 hire any telegraph or telephone line or radio broadcasting system;  
18 ~~and~~

19 4. "Person" means individuals, partnerships, associations, and  
20 corporations in the singular as well as plural number;

21 5. "Video services provider" means a subclass of public service  
22 corporations consisting of any public service corporation offering  
23 video programming services; and

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1        6. "Video programming" shall have the same meaning as set forth  
2 in 47 U.S.C., Section 522(20).

3        B. As used in the Ad Valorem Tax Code, "transmission company"  
4 and "public service corporation" shall not be construed to include  
5 cable television companies.

6        C. Any real or personal property used by any company,  
7 corporation, trustee, receiver, or other person owning, leasing, or  
8 operating for hire any pipeline or oil or gas gathering system which  
9 was assessed by the State Board of Equalization after January 1,  
10 1997, shall continue to be assessed by the State Board of  
11 Equalization through ad valorem tax year 1998.

12        SECTION 2.        AMENDATORY        68 O.S. 2001, Section 2847, is  
13 amended to read as follows:

14        Section 2847. A. The property of all railroads, air carriers  
15 and public service corporations shall be assessed annually by the  
16 State Board of Equalization at its fair cash value estimated at the  
17 price it would bring at a fair voluntary sale.

18        B. Taxable values of real and personal property of all  
19 railroads, air carriers and public service corporations shall be  
20 established in accordance with the requirements of Section 8 of  
21 Article X of the Oklahoma Constitution. The State Board of  
22 Equalization shall determine the taxable value of all taxable  
23 property that the Board is required by law to assess and value, and  
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1 shall determine such taxable value in accordance with the  
2 requirements of Section 8 of Article X of the Oklahoma Constitution.

3 C. The State Board of Equalization shall assess the property of  
4 that subclass of public service corporations known as video services  
5 providers, as defined in Section 2808 of this title, as provided:

6 1. Every video services provider shall file with the State  
7 Board of Equalization a certification regarding total gross receipts  
8 for the immediate preceding calendar year by April 15 and shall  
9 specify the total gross receipts derived from video programming  
10 services;

11 2. The State Board of Equalization shall determine the  
12 percentage of gross receipts the video services provider has derived  
13 from video programming in the immediately preceding calendar year;  
14 and

15 3. The percentage determined pursuant to paragraph 2 of this  
16 subsection shall be applied to the taxable fair cash value allocated  
17 to Oklahoma, and the resulting fair cash value attributable to video  
18 programming services shall be assessed using the statewide average  
19 of the assessment ratios applied to the assets of cable television  
20 companies in that tax year. Unless the taxpayer or the State Board  
21 of Equalization demonstrates otherwise, the statewide average  
22 assessment ratio applied to the personal property of a cable  
23 television company shall be assumed to be twelve percent (12%).

1        D. The percentage of fair cash value for real and personal  
2 property of railroads, air carriers and public service corporations  
3 required by the Oklahoma Constitution to be taxable shall be the  
4 percentage at which it was assessed on January 1, 1996, in  
5 accordance with the provisions of paragraph 3 of subsection A of  
6 Section 8 of Article X of the Oklahoma Constitution, and, subject to  
7 the requirements of federal law, shall be uniformly applied to  
8 calculate the taxable values of public service corporation property  
9 within the state for the applicable assessment year.

10        SECTION 3. This act shall become effective January 1, 2010.

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