

THE HOUSE OF REPRESENTATIVES
Monday, April 12, 2010

ENGROSSED
Senate Joint
Resolution No. 61
As Amended

ENGROSSED SENATE JOINT RESOLUTION NO. 61 - By: COFFEE of the Senate and
BENGE of the House.

[Joint Resolution - Task Force on Taxation of Intangible Ad Valorem
Property -

directing filing]

~~BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF
THE 2ND SESSION OF THE 52ND OKLAHOMA LEGISLATURE:~~

1 SECTION 1. The Secretary of State shall refer to the people for their approval or
2 rejection, as and in the manner provided by law, the following proposed amendment to
3 Article X of the Oklahoma Constitution by adding a new Section 8F to read as follows:

4 Section 8F. A. There is hereby created the Task Force on Taxation of Intangible Ad
5 Valorem Property.

6 B. The task force shall be composed of nine (9) members to be selected as follows:

7 1. The Governor shall appoint three (3) members to consist of:

8 a. a county assessor,

9 b. a superintendent from a common school district, and

- 1 c. a representative of a company that is centrally assessed;
- 2 2. The Speaker of the House of Representatives shall appoint three (3) members to
- 3 consist of:
- 4 a. one member of a local common school district board,
- 5 b. a representative of the oil and gas industry, and
- 6 c. a representative of a state association whose membership consists
- 7 primarily of persons engaged in farming and/or ranching;
- 8 3. The President Pro Tempore of the Oklahoma State Senate shall appoint three (3)
- 9 members to consist of:
- 10 a. a representative of a statewide association serving the interests of
- 11 business and industry,
- 12 b. the superintendent of a career technology school, and
- 13 c. a business person representing a small business or a small
- 14 manufacturer that is locally assessed.
- 15 C. Members of the task force shall serve at the pleasure of the appointing
- 16 authority. Vacancies shall be filled in the same manner as the original appointment.
- 17 D. The task force shall select from among its membership a chair and a co-chair.
- 18 E. Travel reimbursement for members of the task force shall be made by the
- 19 respective appointing authorities pursuant to the State Travel Reimbursement Act.
- 20 F. Staff assistance for the task force shall be provided by the staff of the Oklahoma
- 21 State Senate and the Oklahoma House of Representatives.

1 G. The purpose of the task force shall be to examine Section 6A of Article X of the
2 Oklahoma Constitution, giving specific attention to:

3 1. The list of intangible property specifically exempted from taxation;

4 2. The ruling of the Supreme Court of the State of Oklahoma in Southwestern Bell
5 Telephone Company, f/k/a, Southwestern Bell Telephone, L.P. and SWBT Purchasing &
6 Leasing Limited Partnership vs. Oklahoma State Board of Equalization, and

7 3. The potential impact of the ruling on business and economic development in
8 Oklahoma and the funding of schools and local government entities should intangible
9 property not specifically exempted by Section 6A of Article X of the Oklahoma
10 Constitution be taxed.

11 I. The task force shall make a final report to the Governor, the Speaker of the
12 Oklahoma House of Representatives and the President Pro Tempore of the Oklahoma
13 State Senate not later than January 15th, 2011, containing any recommendations for
14 changes in the Oklahoma Statutes or the Oklahoma Constitution regarding the taxation
15 of intangible ad valorem property.

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

18 **BALLOT TITLE**

19 Legislative Referendum No. _____ State Question No. _____

20 **THE GIST OF THE PROPOSITION IS AS FOLLOWS:**

21 This measure amends the Constitution. It adds a new Section 8F to Article 10. A
22 new task force would be created. The task force would include nine members.

1 Three of the members would be appointed by the Governor, three by the Speaker of
2 the House of Representatives and three by President Pro Tempore of the Senate.
3 Each appointed member would represent a specific entity or group. The person
4 appointing a member would determine the length of service and would fill any
5 vacancy for that position. The task force would select a chair and co-chair from the
6 membership. Travel expenses would be reimbursed pursuant to the State Travel
7 Reimbursement Act. Staff would be provided for the task force. The purpose of the
8 task force is to examine the taxation of intangible ad valorem property. Specific
9 attention would be given to certain matters. One of the matters is the list of
10 intangible property which is exempt from ad valorem taxation. Another matter is a
11 particular ruling of the Oklahoma Supreme Court and its potential impact. The
12 task force is required to make a final report not later than January 15, 2011.

13 SHALL THE PROPOSAL BE APPROVED?

14 FOR THE PROPOSAL — YES _____

15 AGAINST THE PROPOSAL — NO _____

16 SECTION 3. The President Pro Tempore of the Senate shall, immediately after the
17 passage of this resolution, prepare and file one copy thereof, including the Ballot Title set
18 forth in SECTION 2 hereof, with the Secretary of State and one copy with the Attorney
19 General.

20 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,
21 dated 04-08-10 - DO PASS, As Amended.