

CS for EHJR 1061

1 THE STATE SENATE
2 Wednesday, March 31, 2010

3 Committee Substitute for
4 ENGROSSED
5 House Joint
6 Resolution No. 1061

7 COMMITTEE SUBSTITUTE FOR ENGROSSED HOUSE JOINT RESOLUTION NO. 1061 -
8 By: Benge and Kern of the House and Coffee of the Senate.

9 [Joint Resolution - Task Force on Taxation of Intangible Ad
10 Valorem Property -
11 directing filing]

12 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE
13 2ND SESSION OF THE 52ND OKLAHOMA LEGISLATURE:

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

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

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

- 22 1. The Governor shall appoint three (3) members to consist of:
23 a. a county assessor,
24 b. a superintendent from a common school district, and

1 c. a representative of a company that is centrally
2 assessed;

3 2. The Speaker of the House of Representatives shall appoint
4 three (3) members to consist of:

- 5 a. one member of a local common school district board,
- 6 b. a representative of the oil and gas industry, and
- 7 c. a representative of a state association whose
8 membership consists primarily of persons engaged in
9 farming and/or ranching;

10 3. The President Pro Tempore of the Oklahoma State Senate shall
11 appoint three (3) members to consist of:

- 12 a. a representative of a statewide association serving
13 the interests of business and industry,
- 14 b. the superintendent of a career technology school, and
- 15 c. a business person representing a small business or a
16 small manufacturer that is locally assessed.

17 C. Members of the task force shall serve at the pleasure of the
18 appointing authority. Vacancies shall be filled in the same manner
19 as the original appointment.

20 D. The task force shall select from among its membership a
21 chair and a co-chair.

1 E. Travel reimbursement for members of the task force shall be
2 made by the respective appointing authorities pursuant to the State
3 Travel Reimbursement Act.

4 F. Staff assistance for the task force shall be provided by the
5 staff of the Oklahoma State Senate and the Oklahoma House of
6 Representatives.

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

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

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

16 3. The potential impact of the ruling on business and economic
17 development in Oklahoma and the funding of schools and local
18 government entities should intangible property not specifically
19 exempted by Section 6A of Article X of the Oklahoma Constitution be
20 taxed.

21 H. The task force shall make a final report to the Governor,
22 the Speaker of the Oklahoma House of Representatives and the
23 President Pro Tempore of the Oklahoma State Senate not later than

1 January 15th, 2011, containing any recommendations for changes in
2 the Oklahoma Statutes or the Oklahoma Constitution regarding the
3 taxation of intangible ad valorem property.

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

7 BALLOT TITLE

8 Legislative Referendum No. _____ State Question No. _____

9 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

10 This measure amends the Constitution. It adds a new Section 8F to
11 Article 10. A new task force would be created. The task force
12 would include nine members. Three of the members would be appointed
13 by the Governor, three by the Speaker of the House of
14 Representatives and three by the President Pro Tempore of the
15 Senate. Each appointed member would represent a specific entity or
16 group. The person appointing a member would determine the length of
17 service and would fill any vacancy for that position. The task
18 force would select a chair and co-chair from the membership. Travel
19 expenses would be reimbursed pursuant to the State Travel
20 Reimbursement Act. Staff would be provided for the task force. The
21 purpose of the task force is to examine the taxation of intangible
22 ad valorem property. Specific attention would be given to certain
23 matters. One of the matters is the list of intangible property
24 which is exempt from ad valorem taxation. Another matter is a
25 particular ruling of the Oklahoma Supreme Court and its potential
26 impact. The task force is required to make a final report not later
27 than January 15, 2011.

28 SHALL THE PROPOSAL BE APPROVED?

29 FOR THE PROPOSAL - YES _____

30 AGAINST THE PROPOSAL - NO _____

31 SECTION 3. The Speaker of the House of Representatives shall,
32 immediately after the passage of this resolution, prepare and file

1 one copy thereof, including the Ballot Title set forth in SECTION 2
2 hereof, with the Secretary of State and one copy with the Attorney
3 General.

4 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 3-30-10 - DO PASS,
5 As Amended and Coauthored.