

CS for SB 314

THE STATE SENATE
Monday, February 23, 2009

Committee Substitute for
Senate Bill No. 314

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 314 - By: Branan and Mazzei
of the Senate and Terrill of the House.

[revenue and taxation - valuation and assessment of
property - effective date]

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

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

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

2. "Transportation company" means any company, corporation,
trustee, receiver, or any other person owning, leasing or operating
for hire, a street railway, canal, steamboat line, and also any
sleeping car company, parlor car company and express company, and
any other company, trustee, or person in any way engaged in such

1 business as a common carrier. As used in the Ad Valorem Tax Code,
2 the term "transportation company" shall not include any railroad or
3 any air carrier. However, all railroad and air carrier property
4 shall continue to be valued and assessed by the State Board of
5 Equalization for purposes of ad valorem taxation;

6 3. "Transmission company" means any company, corporation,
7 trustee, receiver, or other person owning, leasing or operating for
8 hire any telegraph or telephone line or radio broadcasting system;
9 ~~and~~

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

12 5. "Video services provider" means a subclass of public service
13 corporations consisting of any public service corporation offering
14 video programming services; and

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

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

20 C. Any real or personal property used by any company,
21 corporation, trustee, receiver, or other person owning, leasing, or
22 operating for hire any pipeline or oil or gas gathering system which
23 was assessed by the State Board of Equalization after January 1,

1 1997, shall continue to be assessed by the State Board of
2 Equalization through ad valorem tax year 1998.

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

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

9 B. Taxable values of real and personal property of all
10 railroads, air carriers and public service corporations shall be
11 established in accordance with the requirements of Section 8 of
12 Article X of the Oklahoma Constitution. The State Board of
13 Equalization shall determine the taxable value of all taxable
14 property that the Board is required by law to assess and value, and
15 shall determine such taxable value in accordance with the
16 requirements of Section 8 of Article X of the Oklahoma Constitution.

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

20 1. Every video services provider shall file with the State
21 Board of Equalization a certification regarding total gross receipts
22 for the immediate preceding calendar year by April 15th and shall

1 specify the total gross receipts derived from video programming
2 services;

3 2. The State Board of Equalization shall determine the
4 percentage of gross receipts the video services provider has derived
5 from video programming in the immediately preceding calendar year;
6 and

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

16 D. The percentage of fair cash value for real and personal
17 property of railroads, air carriers and public service corporations
18 required by the Oklahoma Constitution to be taxable shall be the
19 percentage at which it was assessed on January 1, 1996, in
20 accordance with the provisions of paragraph 3 of subsection A of
21 Section 8 of Article X of the Oklahoma Constitution, and, subject to
22 the requirements of federal law, shall be uniformly applied to

1 calculate the taxable values of public service corporation property
2 within the state for the applicable assessment year.

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

4 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 2-17-09 - DO PASS,
5 As Amended and Coauthored.