

1 ENGROSSED HOUSE AMENDMENT  
TO  
2 ENGROSSED SENATE BILL NO. 13

By: Mazzei of the Senate  
and  
Dank of the House

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7 [ ad valorem exemption - manufacturing facilities -  
8 modifying definition to eliminate eligibility -  
9 effective date ]

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12 AMENDMENT NO. 1. Strike the stricken title, enacting clause and  
13 entire bill and insert

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“( Ad Valorem Reimbursement Fund - distribution of  
16 funds - modifying reimbursement amount -  
17 effective date )

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

21 SECTION 1. AMENDATORY 62 O.S. 2001, Section 193, is  
22 amended to read as follows:

23 Section 193. A. There is hereby created in the State Treasury  
24 a revolving fund for the Oklahoma Tax Commission to be designated

1 the "Ad Valorem Reimbursement Fund". The fund shall be a continuing  
2 fund, not subject to fiscal year limitations. Monies apportioned to  
3 this fund shall be expended:

4 1. To reimburse counties of this state for loss of revenue due  
5 to exemptions of ad valorem taxes for new or expanded manufacturing  
6 or research and development facilities; provided, with respect to  
7 new or expanded manufacturing or research and development facilities  
8 that become exempt for the first time on or after January 1, 2012,  
9 for tax year 2012 and all subsequent tax years, the property  
10 valuation used for determining the amount of such reimbursement  
11 shall be limited to the lesser of the property valuation for any  
12 year subsequent to the year in which the facility initially  
13 qualified for such exemption or the property valuation for the  
14 calendar year immediately preceding the calendar year in which the  
15 facility initially qualified for such exemption;

16 2. To reimburse counties of this state for loss of revenue for  
17 school district and county purposes due to exemptions granted  
18 pursuant to the provisions of Section 2890 of Title 68 of the  
19 Oklahoma Statutes; and

20 3. To reimburse counties of this state for loss of revenue due  
21 to decreased valuation and assessment for buffer strips pursuant to  
22 Section ~~2~~ 2817.2 of ~~this act~~ Title 68 of the Oklahoma Statutes.

23 Provided that it shall be the duty of the Tax Commission to  
24 assess the valuation of all property for new or expanded

1 manufacturing or research and development facilities which are  
2 exempt from ad valorem taxes.

3 Monies apportioned to this fund also may be transferred to other  
4 state funds or otherwise expended as directed by the Legislature by  
5 law.

6 B. The county commissioners of each county seeking  
7 reimbursement for lost revenue from the Ad Valorem Reimbursement  
8 Fund shall make claims for reimbursement on forms prescribed by the  
9 Tax Commission prior to April 30 of each year. Claims for  
10 reimbursement for loss of revenue due to exemptions of ad valorem  
11 taxes for new or expanded manufacturing or research and development  
12 facilities shall be made separately from claims for reimbursement  
13 for loss of revenue for school district and county purposes due to  
14 exemptions granted pursuant to the provisions of Section 2890 of  
15 Title 68 of the Oklahoma Statutes and separately from claims for  
16 reimbursement for loss of revenue for decreased valuation and  
17 assessment of buffer strips. Provided, the assessed valuation of a  
18 school district as stated in the claim for reimbursement shall be  
19 the same as reported to the State Department of Education on the  
20 Estimate of Need and shall include the total valuation of property  
21 exempt from taxation pursuant to Section 2902 of Title 68 of the  
22 Oklahoma Statutes. The claims shall be either approved or  
23 disapproved in whole or in part by the Tax Commission by June 15 of  
24 each year. A claim for reimbursement for loss of revenue due to an

1 exemption of ad valorem taxes for a new or expanded manufacturing or  
2 research and development facility shall be disapproved if a county  
3 or school district has received any payment in lieu of ad valorem  
4 taxes from such facility, to the extent of the amount of such  
5 reimbursement. If the Tax Commission determines that an exemption  
6 has been erroneously or unlawfully granted, it shall notify the  
7 appropriate county assessor who shall immediately value and assess  
8 the property and place it on the rolls for ad valorem taxation.  
9 Disbursements from the fund shall be made on warrants issued by the  
10 State Treasurer against claims filed by the Tax Commission with the  
11 Office of State Finance for payment. Such disbursements shall be  
12 exempt from all agency expenditure ceilings. The county treasurer  
13 shall apportion or disburse such funds for expenditures in the same  
14 manner as other ad valorem tax collections.

15 C. In the event monies apportioned to the Ad Valorem  
16 Reimbursement Fund are insufficient to pay all claims for  
17 reimbursement made pursuant to subsection B of this section, claims  
18 for reimbursement for loss of revenue due to exemptions of ad  
19 valorem taxes for new or expanded manufacturing or research and  
20 development facilities shall be paid first, and any remaining funds  
21 shall be distributed proportionally among the counties making claims  
22 for reimbursement for loss of revenue for school district and county  
23 purposes due to exemptions granted pursuant to the provisions of  
24 Section 2890 of Title 68 of the Oklahoma Statutes, according to the

1 amount of the claim made by each county. If any funds remain after  
2 paying all claims for reimbursement for loss of revenue due to  
3 exemptions of ad valorem taxation for new or expanded manufacturing  
4 or research and development facilities and for reimbursement for  
5 loss of revenue for school district and county purposes due to  
6 exemptions granted pursuant to the provisions of Section 2890 of  
7 Title 68 of the Oklahoma Statutes, the remaining funds shall be  
8 distributed proportionally among the counties making claims for  
9 reimbursement for loss of revenue for decreased valuation and  
10 assessment for buffer strips pursuant to Section ~~2~~ 2817.2 of ~~this~~  
11 ~~act~~ Title 68 of the Oklahoma Statutes.

12 SECTION 2. This act shall become effective January 1, 2012."

13 Passed the House of Representatives the 25th day of April, 2011.

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Presiding Officer of the House of  
Representatives

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18 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2011.

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Presiding Officer of the Senate

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