

1 STATE OF OKLAHOMA

2 2nd Session of the 54th Legislature (2014)

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 3119

6 By: Roberts (Sean)

7 COMMITTEE SUBSTITUTE

8 An Act relating to revenue and taxation; amending 68
9 O.S. 2011, Sections 2876 and 2877, as amended by
10 Section 2, Chapter 164, O.S.L. 2012 (68 O.S. Supp.
11 2013, Section 2877), which relate to protests
12 regarding valuation increases; requiring assessor to
13 provide multiple dates for informal conference;
14 requiring county board of equalization to provide
15 multiple dates for presentation of evidence;
16 prohibiting final determinations of value under
17 certain circumstances; and providing an effective
18 date.

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

20 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2876, is
21 amended to read as follows:

22 Section 2876. A. If the county assessor shall increase the
23 valuation of any property above that returned by the taxpayer, or in
24 the case of real property increase the valuation over the assessment
from the preceding year, or pursuant to the requirements of law if
the assessor has added property not listed by the taxpayer, the
county assessor shall notify in writing the person in whose name any

1 such property is listed, giving the amount of such valuation as
2 increased or valuation of property so added.

3 B. The notice required by this section shall, for cases in
4 which the valuation of real property has increased, include the fair
5 cash value of the property as used in determining the assessment for
6 the preceding and current year, the taxable value for the preceding
7 and current year, if different than the fair cash value, and the
8 assessment percentage for the preceding and current year.

9 C. The notice required by this section may be mailed or
10 delivered to the last-known address of the person affected or to the
11 person in charge of or in possession of the property and shall
12 clearly be marked with the date upon which the notice was prepared.
13 Any notice dated as required by this section shall be mailed or
14 delivered within one (1) working day of such date. The notice shall
15 describe the property with sufficient accuracy to notify the
16 taxpayer as to the property included, together with the assessed
17 value of the property. Duplicate copies of the notice, showing the
18 date of issuance and mailing or delivery, shall be kept in the
19 office of the county assessor. Such record shall be prima facie
20 evidence as to the fact of notice having been given as required by
21 this section.

22 D. The taxpayer shall have ~~twenty (20) working~~ thirty (30) days
23 from the date the notice was mailed or in the event that notice was
24 delivered from the date of delivery in which to file a written

1 complaint with the county assessor specifying objections to action
2 taken by the county assessor; provided, in the case of a scrivener's
3 error or other admitted error on the part of the county assessor,
4 the assessor may make corrections to a valuation at any time,
5 notwithstanding the ~~twenty-day~~ thirty-day period specified in this
6 subsection. The complaint shall set out the pertinent facts in
7 relation to the matter contained in the notice in ordinary and
8 concise language and in such manner as to enable a person of common
9 understanding to know what is intended. The complaint shall be made
10 upon a form prescribed by the Oklahoma Tax Commission.

11 E. A taxpayer may file a complaint if the valuation of property
12 has not increased or decreased from the previous year if the
13 complaint is filed on or before the first Monday in May. Such
14 complaint shall be made upon a form prescribed by the Oklahoma Tax
15 Commission.

16 F. The county assessor shall schedule an informal hearing with
17 the taxpayer to hear the protest as to the disputed valuation or
18 addition of omitted property. The informal hearing may be held in
19 person or may be held telephonically, if requested by the taxpayer.
20 A taxpayer that is unable to personally appear at a scheduled
21 informal hearing shall be given at least three opportunities to
22 appear before the assessor makes a determination that the taxpayer
23 has not participated in the informal hearing process. The assessor
24 shall take final action upon the matter disputed within five (5)

1 working days of the date of the informal hearing and shall mail or
2 deliver notice of final action to the taxpayer. The notice of final
3 action shall clearly be marked with the date upon which the notice
4 was prepared. Such notice shall be mailed or delivered within one
5 (1) working day of such date. Within ten (10) working days of the
6 date the notice is mailed or delivered, the taxpayer may file an
7 appeal with the county board of equalization. For purposes of this
8 section, "working days" shall mean Monday through Friday and shall
9 exclude Saturday and Sunday and any legal holidays. The appeal
10 shall be made upon a form prescribed by the Oklahoma Tax Commission.
11 One copy of the form shall be mailed or delivered to the county
12 assessor and one copy shall be mailed or delivered to the county
13 board of equalization. On receipt of the notice of an appeal to the
14 county board of equalization by the taxpayer, the county assessor
15 shall provide the county board of equalization with all information
16 submitted by the taxpayer, data supporting the disputed valuation
17 and a written explanation of the results of the informal hearing.

18 SECTION 2. AMENDATORY 68 O.S. 2011, Section 2877, as
19 amended by Section 2, Chapter 164, O.S.L. 2012 (68 O.S. Supp. 2013,
20 Section 2877), is amended to read as follows:

21 Section 2877. A. Upon receipt of an appeal from action by the
22 county assessor on the form prescribed by the Oklahoma Tax
23 Commission, the secretary of the county board of equalization shall
24 fix a date of hearing, at which time said board shall be authorized

1 and empowered to take evidence pertinent to said appeal; and for
2 that purpose, is authorized to compel the attendance of witnesses
3 and the production of books, records, and papers by subpoena, and to
4 confirm, correct, or adjust the valuation of real or personal
5 property or to cancel an assessment of personal property added by
6 the assessor not listed by the taxpayer if the personal property is
7 not subject to taxation or if the taxpayer is not responsible for
8 payment of ad valorem taxes upon such property. The secretary of
9 the board shall fix the dates of the hearings provided for in this
10 section in such a manner as to ensure that the board is able to hear
11 all complaints within the time provided for by law. The county
12 board of equalization shall provide at least three dates on which a
13 taxpayer may personally appear and make a presentation of evidence.
14 At least ten (10) days shall intervene between each such date. No
15 final determination regarding valuation protests shall be made by a
16 county board of equalization until the taxpayer shall have failed to
17 appear for all three such dates. The county board of equalization
18 shall be required to follow the procedures prescribed by the Ad
19 Valorem Tax Code or administrative rules and regulations promulgated
20 pursuant to such Code governing the valuation of real and personal
21 property. The county board of equalization shall not modify a
22 valuation of real or personal property as established by the county
23 assessor unless such modification is explained in writing upon a
24 form prescribed by the Oklahoma Tax Commission. Each decision of

1 the county board of equalization shall be explained in writing upon
2 a form prescribed by the Oklahoma Tax Commission. The county board
3 of equalization shall make a record of each proceeding involving an
4 appeal from action by the county assessor either in transcribed or
5 tape recorded form.

6 B. In all cases where the county assessor has, without giving
7 the notice required by law, increased the valuation of property as
8 listed by the taxpayer, and the taxpayer has knowledge of such
9 adjustment or addition, the taxpayer may at any time prior to the
10 adjournment of the board, file an appeal in the form and manner
11 provided for in Section 2876 of this title. Thereafter, the board
12 shall fix a date of hearing, notify the taxpayer, and conduct the
13 hearing as required by this section.

14 C. The taxpayer or agent may appear at the scheduled hearing
15 either in person, by telephone or other electronic means, or by
16 affidavit.

17 D. If the taxpayer or agent fails to appear before the county
18 board of equalization at the scheduled hearing, unless advance
19 notification is given for the reason of absence, the county shall be
20 authorized to assess against the taxpayer the costs incurred by the
21 county in preparation for the scheduled hearing. If such costs are
22 assessed, payment of the costs shall be a prerequisite to the filing
23 of an appeal to the district court. A taxpayer that gives advance
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1 notification of their absence shall be given the opportunity to
2 reschedule the hearing date.

3 E. 1. In order to increase taxpayer transparency, a member of
4 the board of equalization shall not directly or indirectly
5 communicate with the county assessor or any deputy assessor or
6 designated agent on any matter relating to any pending appeal before
7 the board of equalization prior to the actual hearing.

8 2. The provisions of paragraph 1 of this subsection shall not
9 apply to a routine communication between the county assessor and the
10 board of equalization that relates to the administration of an
11 appraisal roll, including a communication made in connection with
12 the certification, correction, or collection of an account that is
13 not the subject of a pending appeal.

14 SECTION 3. This act shall become effective January 1, 2015.

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