

1 **SENATE FLOOR VERSION**

2 April 1, 2014

3 **AS AMENDED**

4 ENGROSSED HOUSE

5 BILL NO. 3143

6 By: Jackson of the House

7 and

8 Schulz of the Senate

9 [ cities and towns - taxation of annexed territory -  
10 effective date ]

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

12 SECTION 1. AMENDATORY 11 O.S. 2011, Section 21-109, is  
13 amended to read as follows:

14 Section 21-109. A. Tracts of land in excess of forty (40)  
15 acres which are annexed to a municipality and used for industrial or  
16 commercial purposes shall not be subject to ad valorem taxes at the  
17 municipal rate. Tracts of annexed land in excess of five (5) acres  
18 which are used by persons engaged in farming or ranching, and all  
19 farm animals and livestock, and all agricultural implements and  
20 machinery and household goods located on the land, shall not be  
21 subject to municipal taxes unless the municipality furnishes  
22 services to these tracts as are ordinarily furnished to municipal  
23 residents. Tracts of land with an area of width no greater than  
24 three hundred twenty-six (326) feet at the widest point which are

1 annexed to a municipality shall not be subject to municipal taxes,  
2 unless such tracts are annexed pursuant to paragraph 2 of subsection  
3 A of Section 21-103 of this title. No land which is used for  
4 agricultural purposes may be taken within the limits of a town and  
5 taxed at a greater rate than land which is adjacent to but outside  
6 the town limits.

7 B. ~~On any annexation after July 1, 1998, the~~ The revenue and  
8 taxation ordinances of any municipality and the licensing and  
9 regulatory authority of any municipality shall not apply or extend  
10 to any military installation located on federal property which has  
11 been annexed in part or in whole by a municipality on or after July  
12 1, 1998, except to the following extent. The sales, use and  
13 occupancy tax ordinances of a municipality shall be applicable and  
14 extend to the part or whole of the military installation on federal  
15 property annexed on or after July 1, 1998, but the applicability of  
16 such ordinances shall be limited to activities on the military  
17 installation engaged in by the private sector involving the sale of  
18 goods and services taxable under the Oklahoma Sales Tax Code, the  
19 storage, use or other consumption of tangible property taxable under  
20 the Oklahoma Use Tax Code, and the occupancy of hotel/motel rooms  
21 for rent whether received in money or otherwise.

22 SECTION 2. This act shall become effective November 1, 2014.

23 COMMITTEE REPORT BY: COMMITTEE ON FINANCE  
24 April 1, 2014 - DO PASS AS AMENDED