

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 57<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 3910</b>
<b>Version:</b>	<b>INT</b>
<b>Request Number:</b>	<b>10435</b>
<b>Author:</b>	<b>Rep. Fetgatter</b>
<b>Date:</b>	<b>2/24/2020</b>
<b>Impact:</b>	<b>Tax Commission:</b>

**Unknown Decrease  
in Ad Valorem Revenue (Local)**

**Research Analysis**

HB3910, as introduced, removes the requirement that personal property with a fair cash value under \$5000 and an original purchase cost of less than \$10,000 be listed on ad valorem tax forms.

Prepared By: Quyen Do

**Fiscal Analysis**

Analysis provided by the Tax Commission:

HB 3910 proposes to amend 68 O.S. § 2835 regarding the personal property to be listed for assessment thereof. Specifically, HB 3910 proposes that personal property having a fair cash value of less than five thousand dollars (\$5,000) or having an original cost to the owner of such personal property of less than ten thousand dollars (\$10,000) shall not be required to be included in the forms for listing of personal property or in any other requirement of the Ad Valorem Tax Code for the listing of personal property.

HB 3910 proposes an exemption for ad valorem taxes on personal property with a fair cash value of less than five thousand dollars (\$5,000) or with an original cost to the owner of such personal property of less than ten thousand dollars (\$10,000) which would eliminate a majority of the personal property currently taxed in the state. A total impact is unknown for HB 3910, but the following chart outlines the decrease in local ad valorem tax revenues associated with this measure for Stephens County:

Farm equipment and tractors	\$198,028
Manufactured homes classified as personal property	\$2,504
Business personal property	\$408,893
Total	\$609,425

Stephens County is used as an example because it is a midsized county of the 77 counties in Oklahoma. This figure does not include the personal property of petroleum companies. In Stephens County one petroleum company surveyed would result in a loss of \$711,679 in local ad valorem tax revenues based on the proposed changes of HB 3910.

Prepared By: Mark Tygret

**Other Considerations**

None.

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