

1 ENGROSSED SENATE AMENDMENT
TO
2 ENGROSSED HOUSE
BILL NO. 1990

By: Caldwell (Trey), Mize, Pae
and Fugate of the House

and

Montgomery of the Senate

[public finance - Ad Valorem Reimbursement Fund -
veteran homestead exemptions]

AMENDMENT NO. 1. Page 1, strike the stricken title, enacting clause
and entire bill and insert

"An Act relating to the Ad Valorem Reimbursement
Fund; amending 62 O.S. 2011, Section 193, as amended
by Section 457, Chapter 304, O.S.L. 2012 (62 O.S.
Supp. 2020, Section 193), which relates to the
distribution of funds; adding category of exemption
for which reimbursement may be claimed and creating
qualification; providing rate for certain
reimbursement; clarifying language; modifying
priority for payment of claims; and providing an
effective date.

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

SECTION 1. AMENDATORY 62 O.S. 2011, Section 193, as
amended by Section 457, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
2020, Section 193), is amended to read as follows:

1 Section 193. A. There is hereby created in the State Treasury
2 a revolving fund for the Oklahoma Tax Commission to be designated
3 the "Ad Valorem Reimbursement Fund". The fund shall be a continuing
4 fund, not subject to fiscal year limitations. Monies apportioned to
5 this fund shall be expended:

6 1. To reimburse counties of this state for loss of revenue due
7 to exemptions of ad valorem taxes for new or expanded manufacturing
8 or research and development facilities;

9 2. Beginning calendar year 2022 and all subsequent years, to
10 reimburse qualified counties of this state for loss of revenue due
11 to exemptions granted to veterans and their surviving spouses
12 pursuant to the provisions of Sections 8D, 8E and 8F of Article X of
13 the Oklahoma Constitution. A county is qualified for reimbursement
14 if the number of exemptions granted to veterans and surviving
15 spouses for the most recently concluded calendar year exceeds eight-
16 tenths of one percent (0.8%) of the total county population
17 according to the latest Federal Decennial Census or most recent
18 annual population estimate, whichever is most recent. The
19 reimbursement provided in this paragraph shall amount to twenty-five
20 percent (25%) of the loss of revenue claimed by the qualified
21 county;

22 3. To reimburse counties of this state for loss of revenue for
23 school district and county purposes due to exemptions granted
24

1 pursuant to the provisions of Section 2890 of Title 68 of the
2 Oklahoma Statutes; and

3 ~~3.~~ 4. To reimburse counties of this state for loss of revenue
4 due to decreased valuation and assessment for buffer strips pursuant
5 to Section 2817.2 of Title 68 of the Oklahoma Statutes.

6 Provided that it shall be the duty of the Tax Commission to
7 assess the valuation of all property for new or expanded
8 manufacturing or research and development facilities which are
9 exempt from ad valorem taxes.

10 Monies apportioned to this fund also may be transferred to other
11 state funds or otherwise expended as directed by the Legislature by
12 law.

13 B. The county commissioners of each county seeking
14 reimbursement for lost revenue from the Ad Valorem Reimbursement
15 Fund shall make claims for reimbursement on forms prescribed by the
16 Tax Commission prior to April 30 of each year. Claims for
17 reimbursement for loss of revenue ~~due to exemptions of ad valorem~~
18 ~~taxes for new or expanded manufacturing or research and development~~
19 ~~facilities shall be made separately from claims for reimbursement~~
20 ~~for loss of revenue for school district and county purposes due to~~
21 ~~exemptions granted pursuant to the provisions of Section 2890 of~~
22 ~~Title 68 of the Oklahoma Statutes and separately from claims for~~
23 ~~reimbursement for loss of revenue for decreased valuation and~~
24 ~~assessment of buffer strips~~ based upon the type of exemptions

1 authorized pursuant to subsection A of this section. Provided, the
2 assessed valuation of a school district as stated in the claim for
3 reimbursement shall be the same as reported to the State Department
4 of Education on the Estimate of Need and shall include the total
5 valuation of property exempt from taxation pursuant to Section 2902
6 of Title 68 of the Oklahoma Statutes. The claims shall be either
7 approved or disapproved in whole or in part by the Tax Commission by
8 June 15 of each year. A claim for reimbursement for loss of revenue
9 due to an exemption of ad valorem taxes for a new or expanded
10 manufacturing or research and development facility shall be
11 disapproved if a county or school district has received any payment
12 in lieu of ad valorem taxes from such facility, to the extent of the
13 amount of such reimbursement. If the Tax Commission determines that
14 an exemption has been erroneously or unlawfully granted, it shall
15 notify the appropriate county assessor who shall immediately value
16 and assess the property and place it on the rolls for ad valorem
17 taxation. Disbursements from the fund shall be made on warrants
18 issued by the State Treasurer against claims filed by the Tax
19 Commission with the Office of Management and Enterprise Services for
20 payment. Such disbursements shall be exempt from all agency
21 expenditure ceilings. The county treasurer shall apportion or
22 disburse such funds for expenditures in the same manner as other ad
23 valorem tax collections.

1 C. In the event monies apportioned to the Ad Valorem
2 Reimbursement Fund are insufficient to pay all claims for
3 reimbursement made pursuant to subsection B of this section, claims
4 for reimbursement for loss of revenue due to exemptions of ad
5 valorem taxes for new or expanded manufacturing or research and
6 development facilities shall be paid first, and any remaining funds
7 shall be distributed proportionally among the counties making claims
8 for reimbursement for loss of revenue for school district and county
9 purposes due to exemptions granted pursuant to the provisions of
10 ~~Section 2890 of Title 68 of the Oklahoma Statutes~~ Sections 8D, 8E
11 and 8F of Article X of the Oklahoma Constitution, if applicable,
12 according to the amount of the claim made by each county. If any
13 funds remain after paying all claims for reimbursement for loss of
14 revenue due to exemptions of ad valorem taxation for new or expanded
15 manufacturing or research and development facilities and for
16 reimbursement for loss of revenue for school district and county
17 purposes due to exemptions granted pursuant to the provisions of
18 ~~Section 2890 of Title 68 of the Oklahoma Statutes~~ Sections 8D, 8E
19 and 8F of Article X of the Oklahoma Constitution, the remaining
20 funds shall be distributed proportionally among the counties making
21 claims for reimbursement for the exemptions granted pursuant to the
22 provisions of Section 2890 of Title 68 of the Oklahoma Statutes and
23 for the loss of revenue for decreased valuation and assessment for
24

1 buffer strips pursuant to Section 2817.2 of Title 68 of the Oklahoma
2 Statutes.

3 SECTION 2. This act shall become effective November 1, 2021."
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5 Passed the Senate the 14th day of April, 2021.
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7 _____
8 Presiding Officer of the Senate

9 Passed the House of Representatives the ____ day of _____,
10 2021.

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12 _____
13 Presiding Officer of the House
14 of Representatives
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1 ENGROSSED HOUSE
2 BILL NO. 1990

By: Caldwell (Trey), Mize, Pae
and Fugate of the House

3 and

4 Montgomery of the Senate

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7 [public finance - Ad Valorem Reimbursement Fund -
8 veteran homestead exemptions]
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10

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

12 SECTION 3. AMENDATORY 62 O.S. 2011, Section 193, as
13 amended by Section 457, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
14 2020, Section 193), is amended to read as follows:

15 Section 193. A. There is hereby created in the State Treasury
16 a revolving fund for the Oklahoma Tax Commission to be designated
17 the "Ad Valorem Reimbursement Fund". The fund shall be a continuing
18 fund, not subject to fiscal year limitations. Monies apportioned to
19 this fund shall be expended:

20 1. To reimburse counties of this state for loss of revenue due
21 to exemptions of ad valorem taxes for new or expanded manufacturing
22 or research and development facilities;

23 2. To reimburse counties of this state for loss of revenue for
24 school district and county purposes due to exemptions granted

1 pursuant to the provisions of Section 2890 of Title 68 of the
2 Oklahoma Statutes; ~~and~~

3 3. To reimburse counties of this state for loss of revenue due
4 to decreased valuation and assessment for buffer strips pursuant to
5 Section 2817.2 of Title 68 of the Oklahoma Statutes; and

6 4. To reimburse counties of this state for loss of revenue due
7 to the exemptions authorized by Sections 8E and 8F of Article X of
8 the Oklahoma Constitution.

9 Provided that it shall be the duty of the Tax Commission to
10 assess the valuation of all property for new or expanded
11 manufacturing or research and development facilities which are
12 exempt from ad valorem taxes.

13 Monies apportioned to this fund also may be transferred to other
14 state funds or otherwise expended as directed by the Legislature by
15 law.

16 B. The county commissioners of each county seeking
17 reimbursement for lost revenue from the Ad Valorem Reimbursement
18 Fund shall make claims for reimbursement on forms prescribed by the
19 Tax Commission prior to April 30 of each year. Claims for
20 reimbursement for loss of revenue due to exemptions of ad valorem
21 taxes for new or expanded manufacturing or research and development
22 facilities shall be made separately from claims for reimbursement
23 for loss of revenue for school district and county purposes due to
24 exemptions granted pursuant to the provisions of Section 2890 of

1 Title 68 of the Oklahoma Statutes and separately from claims for
2 reimbursement for loss of revenue for decreased valuation and
3 assessment of buffer strips and from claims for loss of revenue due
4 to the provisions of Sections 8E and 8F of Article X of the Oklahoma
5 Constitution. Provided, the assessed valuation of a school district
6 as stated in the claim for reimbursement shall be the same as
7 reported to the State Department of Education on the Estimate of
8 Need and shall include the total valuation of property exempt from
9 taxation pursuant to Section 2902 of Title 68 of the Oklahoma
10 Statutes. The claims shall be either approved or disapproved in
11 whole or in part by the Tax Commission by June 15 of each year. A
12 claim for reimbursement for loss of revenue due to an exemption of
13 ad valorem taxes for a new or expanded manufacturing or research and
14 development facility shall be disapproved if a county or school
15 district has received any payment in lieu of ad valorem taxes from
16 such facility, to the extent of the amount of such reimbursement.
17 If the Tax Commission determines that an exemption has been
18 erroneously or unlawfully granted, it shall notify the appropriate
19 county assessor who shall immediately value and assess the property
20 and place it on the rolls for ad valorem taxation. Disbursements
21 from the fund shall be made on warrants issued by the State
22 Treasurer against claims filed by the Tax Commission with the Office
23 of Management and Enterprise Services for payment. Such
24 disbursements shall be exempt from all agency expenditure ceilings.

1 The county treasurer shall apportion or disburse such funds for
2 expenditures in the same manner as other ad valorem tax collections.

3 C. In the event monies apportioned to the Ad Valorem
4 Reimbursement Fund are insufficient to pay all claims for
5 reimbursement made pursuant to subsection B of this section, claims
6 for reimbursement for loss of revenue due to exemptions of ad
7 valorem taxes for new or expanded manufacturing or research and
8 development facilities shall be paid first, and any remaining funds
9 shall be distributed proportionally among the counties making claims
10 for reimbursement for loss of revenue for school district and county
11 purposes due to exemptions granted pursuant to the provisions of
12 Section 2890 of Title 68 of the Oklahoma Statutes, according to the
13 amount of the claim made by each county. If any funds remain after
14 paying all claims for reimbursement for loss of revenue due to
15 exemptions of ad valorem taxation for new or expanded manufacturing
16 or research and development facilities and for reimbursement for
17 loss of revenue for school district and county purposes due to
18 exemptions granted pursuant to the provisions of Section 2890 of
19 Title 68 of the Oklahoma Statutes, the remaining funds shall be
20 distributed proportionally among the counties making claims for
21 reimbursement for loss of revenue for decreased valuation and
22 assessment for buffer strips pursuant to Section 2817.2 of Title 68
23 of the Oklahoma Statutes.

1 Passed the House of Representatives the 2nd day of March, 2021.

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4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2021.

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8 Presiding Officer of the Senate