

1 ENGROSSED HOUSE  
2 BILL NO. 1990

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

3 and

4 Montgomery of the Senate

5  
6  
7 [ public finance - Ad Valorem Reimbursement Fund -  
8 veteran homestead exemptions ]  
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11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12 SECTION 1. 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