

BILL SUMMARY
1st Session of the 58th Legislature

Bill No.:	HB 1009
Version:	SAHB
Request Number:	NA
Author:	Rep. Sims
Date:	4/27/2021
Impact:	Tax Commission:

Ad Valorem Revenue Impact:
FY-22: \$0
FY-23: (\$131,000)

Research Analysis

The Senate amendment to HB 1009 restores the title.

Prepared By: Emily McPherson

Fiscal Analysis

From the Tax Commission:

Currently, all homesteads in Oklahoma are exempt from ad valorem taxation to the extent of \$1,000 of the assessed valuation. An additional exemption is granted to the extent of \$1,000 of the assessed valuation on each homestead of head of households whose gross household income from all sources for the preceding calendar year did not exceed \$20,000. HB 1009 proposes to increase the income eligibility limit for the additional homestead exemption to \$25,000, thus increasing the number of additional homesteads allowed by each county.

Due to insufficient funds, the loss to local ad valorem tax revenues attributable to the additional homestead exemption has not been reimbursed from the Ad Valorem Reimbursement Fund since 2002. In 2019, this loss totaled \$3,271,359. Raising the income threshold in the manner proposed by HB 1009 will increase the number of additional homestead exemptions by approximately 4.2%, resulting in an estimated statewide reduction in property tax revenues of \$131,000.

Prepared By: Mark Tygret

Other Considerations

None.