

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

HOUSE BILL 1990

By: Caldwell (Trey)

AS INTRODUCED

An Act relating to public finance; 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 Ad Valorem Reimbursement Fund; providing for reimbursement attributable to certain veteran homestead exemptions; providing an effective date; and declaring an emergency.

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:

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

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

1 2. To reimburse counties of this state for loss of revenue for
2 school district and county purposes due to exemptions granted
3 pursuant to the provisions of Section 2890 of Title 68 of the
4 Oklahoma Statutes; ~~and~~

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

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

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

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

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

1 for loss of revenue for school district and county purposes due to
2 exemptions granted pursuant to the provisions of Section 2890 of
3 Title 68 of the Oklahoma Statutes and separately from claims for
4 reimbursement for loss of revenue for decreased valuation and
5 assessment of buffer strips and from claims for loss of revenue due
6 to the provisions of Sections 8E and 8F of Article X of the Oklahoma
7 Constitution. Provided, the assessed valuation of a school district
8 as stated in the claim for reimbursement shall be the same as
9 reported to the State Department of Education on the Estimate of
10 Need and shall include the total valuation of property exempt from
11 taxation pursuant to Section 2902 of Title 68 of the Oklahoma
12 Statutes. The claims shall be either approved or disapproved in
13 whole or in part by the Tax Commission by June 15 of each year. A
14 claim for reimbursement for loss of revenue due to an exemption of
15 ad valorem taxes for a new or expanded manufacturing or research and
16 development facility shall be disapproved if a county or school
17 district has received any payment in lieu of ad valorem taxes from
18 such facility, to the extent of the amount of such reimbursement.
19 If the Tax Commission determines that an exemption has been
20 erroneously or unlawfully granted, it shall notify the appropriate
21 county assessor who shall immediately value and assess the property
22 and place it on the rolls for ad valorem taxation. Disbursements
23 from the fund shall be made on warrants issued by the State
24 Treasurer against claims filed by the Tax Commission with the Office

1 of Management and Enterprise Services for payment. Such
2 disbursements shall be exempt from all agency expenditure ceilings.
3 The county treasurer shall apportion or disburse such funds for
4 expenditures in the same manner as other ad valorem tax collections.

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

3 SECTION 2. This act shall become effective July 1, 2021.

4 SECTION 3. It being immediately necessary for the preservation
5 of the public peace, health or safety, an emergency is hereby
6 declared to exist, by reason whereof this act shall take effect and
7 be in full force from and after its passage and approval.

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