

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

SENATE BILL 771

By: Stephens

AS INTRODUCED

An Act relating to ad valorem tax; creating the Tax Collection Modernization Act; amending 68 O.S. 2011, Section 2913, which relates to collection of taxes; modifying payment amount for each installment; authorizing county treasurer to allow certain payment; requiring payment to be held on trust until sufficient amount received; providing for noncodification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Tax Collection Modernization Act".

SECTION 2. AMENDATORY 68 O.S. 2011, Section 2913, is amended to read as follows:

Section 2913. A. All taxes levied upon an ad valorem basis for each fiscal year shall become due and payable on the first day of November. Except for mortgage servicers, the exclusive method for payment shall be as follows:

1 1. Unless one-half (1/2) or more of the taxes so levied has
2 been paid before the first day of January, the entire tax levy for
3 ~~such~~ that fiscal year shall become delinquent on that date.

4 2. If the first half or more of the taxes levied upon an ad
5 valorem basis for any ~~such~~ fiscal year has been paid before the
6 first day of January, the ~~second half~~ remainder shall be paid before
7 the first day of April thereafter and if not paid shall become
8 delinquent on that date.

9 In no event may payment be made in more than two ~~equal~~
10 installments, subject to the provisions of the payment schedule
11 specified in this subsection. However, each county treasurer, in
12 his or her sole discretion, may allow a taxpayer to make payments on
13 the total amount of tax due. These payments shall be held on trust
14 until the amount paid is sufficient to pay the total amount due.

15 B. Mortgage servicers, as defined in 24 C.F.R., part 3500.17,
16 shall pay all accounts which they are servicing in one annual
17 payment before the first day of January or the entire tax levy for
18 ~~such~~ that fiscal year shall become delinquent on that date.

19 C. If the total tax owed is Twenty-five Dollars (\$25.00) or
20 less, then the total amount must be paid before January 1. If the
21 total tax is not paid before January 1, the unpaid balance owing
22 shall become delinquent on the first day of January and shall be
23 subject to delinquent charges as provided for in this section.

1 D. All delinquent taxes shall bear interest at the rate of one
2 and one-half percent (1 1/2%) per month or major fraction thereof
3 until paid. In no event shall ~~such~~ the interest exceed a sum equal
4 to the unpaid principal amount of tax, and when ~~such~~ the interest
5 has accumulated to a sum equivalent to one hundred percent (100%) of
6 the unpaid tax the further accumulation of interest shall cease.

7 E. In addition to any other penalties prescribed by law,
8 delinquent taxes shall be subject to a late payment penalty of five
9 percent (5%) per month or a major fraction thereof until paid. The
10 penalty assessed herein shall only apply to delinquent taxes that
11 are due on property located in a dependent school district in a
12 county with a population of less than seventy-five thousand (75,000)
13 according to the most recent Federal Decennial Census and held by a
14 nonindividual taxpayer when the tax has been paid delinquent for two
15 (2) or more separate and consecutive years and the fair cash value
16 of the property exceeds Five Hundred Thousand Dollars (\$500,000.00).

17 F. The county treasurer shall stamp the date of receipt on each
18 letter received containing funds for payment of taxes and no
19 interest shall be added or charged after the receipt of such letter
20 or the amount due. It shall be the duty of every person subject to
21 taxation according to the law to attend the county treasurer's
22 office and pay his or her taxes. If any person neglects to pay his
23 or her taxes until after they have become delinquent, the county
24 treasurer is directed and required to collect the delinquent tax as

1 provided for by law. The first ~~half~~ installment of taxes payable
2 pursuant to the provisions of this section shall not become
3 delinquent until thirty (30) days after the tax rolls have become
4 completed and filed by the county assessor with the county
5 treasurer.

6 G. The county treasurer may waive penalties or interest in any
7 case where it is shown to the county treasurer that ~~such~~ the
8 penalties or interest were incurred through no fault of the
9 taxpayer. Each waiver of penalties or interest shall be audited by
10 the Office of the State Auditor and Inspector each year during the
11 annual audit of the county offices.

12 SECTION 3. This act shall become effective November 1, 2021.

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