

1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8
9
0
1
2
3
4

February 20, 2023

AS AMENDED

SENATE BILL NO. 562

By: Howard of the Senate

and

Martinez of the House

An Act relating to documentary tax stamp; amending 68 O.S. 2021, Section 3202, which relates to exemptions; requiring submission of certain documents as required by the county clerk; and providing an effective date.

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

SECTION 1. AMENDATORY 68 O.S. 2021, Section 3202, is amended to read as follows:

Section 3202. A. The tax imposed by Section 3201 of this title shall not apply to:

1. Deeds recorded prior to the effective date of Sections 3201 through 3206 of this title;

2. Deeds which secure a debt or other obligation;

3. Deeds which, without additional consideration, confirm, correct, modify or supplement a deed previously recorded;

4. Deeds between husband and wife, or parent and child, or any persons related within the second degree of consanguinity, without actual consideration therefor, deeds between any person and an

1 express revocable trust created by such person or such person's
2 spouse or deeds pursuant to which property is transferred from a
3 person to a partnership, limited liability company or corporation of
4 which the transferor or the transferor's spouse, parent, child, or
5 other person related within the second degree of consanguinity to
6 the transferor, or trust for primary benefit of such persons, are
7 the only owners of the partnership, limited liability company or
8 corporation. However, if any interest in the partnership, limited
9 liability company or corporation is transferred within one (1) year
10 to any person other than the transferor or the transferor's spouse,
11 parent, child, or other person related within the second degree of
12 consanguinity to the transferor, the seller shall immediately pay
13 the amount of tax which would have been due had this exemption not
14 been granted;

15 5. Tax deeds;

16 6. Deeds of release of property which is security for a debt or
17 other obligation;

18 7. Deeds executed by Indians in approval proceedings of the
19 district courts or by the Secretary of the Interior;

20 8. Deeds of partition, unless, for consideration, some of the
21 parties take shares greater in value than their undivided interests,
22 in which event a tax attaches to each deed conveying such greater
23 share computed upon the consideration for the excess;

24

1 9. Deeds made pursuant to mergers of partnerships, limited
2 liability companies or corporations;

3 10. Deeds made by a subsidiary corporation to its parent
4 corporation for no consideration other than the cancellation or
5 surrender of the subsidiary's stock;

6 11. Deeds or instruments to which the State of Oklahoma or any
7 of its instrumentalities, agencies or subdivisions is a party,
8 whether as grantee or as grantor or in any other capacity;

9 12. Deeds or instruments to which the United States or any of
10 its agencies or departments is a party, whether as grantor or as
11 grantee or in any other capacity, provided that this shall not
12 exempt transfers to or from national banks or federal savings and
13 loan associations;

14 13. Any deed executed pursuant to a foreclosure proceeding in
15 which the grantee is the holder of a mortgage on the property being
16 foreclosed, or any deed executed pursuant to a power of sale in
17 which the grantee is the party exercising such power of sale or any
18 deed executed in favor of the holder of a mortgage on the property
19 in consideration for the release of the borrower from liability on
20 the indebtedness secured by such mortgage except as to cash
21 consideration paid; provided, however, the tax shall apply to deeds
22 in other foreclosure actions, unless otherwise hereinabove exempted,
23 and shall be paid by the purchaser in such foreclosure actions; or
24

1 14. Deeds and other instruments to which the Oklahoma Space
2 Industry Development Authority or a spaceport user, as defined in
3 the Oklahoma Space Industry Development Act, is a party.

4 B. An individual or entity claiming an exemption pursuant to
5 this section shall provide documentation as required by the county
6 clerk to verify eligibility for the exemption. Documentation may
7 include but not be limited to entity minutes and ownership ledgers,
8 tax returns or depreciation schedules related to the property
9 conveyed in the deed, mortgages or notes issued with lands,
10 tenements, or other realty being provided as collateral for which
11 the exemption is claimed, and on a form prescribed by the Oklahoma
12 Tax Commission. Affidavits claiming exemptions shall be signed
13 under penalty of perjury.

14 SECTION 2. This act shall become effective November 1, 2023.

15 COMMITTEE REPORT BY: COMMITTEE ON FINANCE
16 February 20, 2023 - DO PASS AS AMENDED
17
18
19
20
21
22
23
24