

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 59th Legislature (2023)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1825

By: Conley of the House

and

Jett of the Senate

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10 COMMITTEE SUBSTITUTE

11 An Act relating to revenue and taxation; amending 68
12 O.S. 2021, Section 2940, which relates to property
13 acquired for certain public purposes; requiring
14 county treasurer to provide certain information
15 related to ad valorem tax liability upon request of
16 seller or agent of seller; providing for
17 applicability of requirements based on designated
18 date; and prescribing time limit for response by
19 county treasurer.

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

SECTION 1. AMENDATORY 68 O.S. 2021, Section 2940, is
amended to read as follows:

Section 2940. A. Whenever the United States, the state, or a
city, town, county, school district, or any other political
subdivision, including, but not limited to, a turnpike authority,
municipal trust, water or conservation district, flood control

1 district, levee or waterway improvement district, urban renewal
2 authority, public housing authority, or any other authority
3 authorized by law, state or federal, acquires title to any real
4 property for a governmental purpose between January 1 and October 1
5 of the tax year, such property shall be relieved of ad valorem tax
6 for the remaining months of the year beginning with the first of the
7 month next succeeding the date its acquisition for public purposes
8 becomes a matter of public record, if the deed thereto was recorded
9 prior to October 1; provided, however, that all taxes assessed
10 against such property prior to its acquisition shall be paid in full
11 and there be paid a sum equal to one-twelfth (1/12) times the number
12 of months that the property remained in private ownership of an
13 amount estimated by the county treasurer of the county wherein the
14 real property lies to be substantially equal to the amount of tax
15 which would have been or will become due and payable for the year
16 had the real property not been acquired for public purposes. In
17 estimating the amount of taxes which would have been or will become
18 due and payable for the tax year had the real property not been
19 acquired for public purposes the county treasurer shall use as a
20 basis the current assessment and the tax rate for the preceding
21 year, unless the tax for the current year shall be by then
22 determined and set, in which event he shall use as basis the new
23 assessment and rate. The public agency acquiring the property shall
24 deduct the amount of such taxes from the purchase price payable to

1 the private owner and remit the same to the county treasurer in
2 satisfaction of such taxes. The county treasurer of any county is
3 hereby authorized upon order of the board of tax roll corrections to
4 cancel of record all taxes assessed against such property for the
5 year of its acquisition when the deed thereto was recorded prior to
6 October 1 and the aforesaid estimated amount of the tax for the
7 months that the property was in private ownership is paid, which
8 order shall be issued upon application of the acquiring authority.

9 B. If real property is sold to an entity that is exempt from
10 payment of ad valorem tax pursuant to federal law, Section 6 of
11 Article X of the Oklahoma Constitution or otherwise, notwithstanding
12 the terms of sale or the provisions of any escrow agreement between
13 the seller and the buyer, if the seller of the property, or the
14 seller's agent, makes a request of the county treasurer of the
15 applicable county to provide an ad valorem tax bill for the property
16 based on the tax liability as determined for the property as of the
17 sale date, the county treasurer shall provide such statement to the
18 seller not later than ten (10) business days from the date of any
19 written request to do so. The provisions of this subsection shall
20 be applicable to the sale of any real property occurring on or after
21 January 1, 2023.

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23 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
24 03/06/2023 - DO PASS, As Amended and Coauthored.