

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 HOUSE BILL 3768

By: Cantrell

6 AS INTRODUCED

7 An Act relating to collection of delinquent taxes;  
8 amending 68 O.S. 2021, Section 3137, which relates to  
9 the resale property fund; permitting use of resale  
10 property fund for operating expenses of the county  
11 treasurer's office; and providing an effective date.

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

13 SECTION 1. AMENDATORY 68 O.S. 2021, Section 3137, is  
14 amended to read as follows:

15 Section 3137. A. All penalties, interest and forfeitures which  
16 may accrue on delinquent ad valorem taxes, whether real or personal,  
17 tangible or intangible, on any properties, persons, firms or  
18 corporations within any county, city, town or school district within  
19 a county; the proceeds of sale of property acquired by the county at  
20 resale, the proceeds of leases, rentals and other royalties arising  
21 from the management, control and operation by the county  
22 commissioners of property acquired by the county at resale, when  
23 collected shall be credited to and accounted for in a special cash  
24 fund to be styled the "resale property fund" of such county, except  
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1 the proceeds of sale of such property located in any special  
2 improvement district and by the resale of which any special  
3 improvement taxes were canceled, in which event the proceeds of sale  
4 thereof after having been acquired by the county shall be divided  
5 ratably between the resale property fund and the special  
6 improvement-tax account (paving, etc.) of the special improvement  
7 district in which such property is located, in the same ratio as the  
8 ad valorem tax bears to the special improvement taxes in the total  
9 amount of such taxes published as due at the time of the resale  
10 whereby the county acquired title to such property. That portion so  
11 accruing to such special improvement-tax account shall, in keeping  
12 with the statutes relating thereto, be applied to the fund provided  
13 for retirement of bonds and interest coupons of such improvement  
14 district.

15 B. The resale property fund herein created for each county is  
16 hereby declared to be a continuous fund, not subject to fiscal year  
17 limitations, and is hereby dedicated, insofar as may be necessary,  
18 to the enforcement of the tax laws of the state, and is authorized  
19 to be expended for the following purposes:

20 1. For the purchase of necessary records, printing, supplies  
21 and equipment, and the employment of necessary clerical personnel,  
22 either on whole or part-time basis, in connection with delinquent  
23 personal tax lists and personal tax warrants, delinquent real estate  
24 tax lists and lists of unredeemed delinquent real estate subject to  
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1 tax sale or resale, such costs to be limited to those incurred by  
2 the county treasurer;

3 2. For payment of the cost of advertising or publication, or  
4 posting if publication cannot be had, of any such lists;

5 3. For the reimbursement of the purchaser at resale or at  
6 commissioners' sale of any lot, tract, or parcel of real estate,  
7 sold at resale, against which no tax was due, or where the inclusion  
8 of such lot, tract, or parcel in the publication and offer for  
9 resale has been held invalid by a court of competent jurisdiction,  
10 or where the title thereto is vested in the Commissioners of the  
11 Land Office of the State of Oklahoma, or where such Commissioners of  
12 the Land Office have instituted or successfully terminated mortgage  
13 foreclosure proceedings in relation thereto prior to issuance of  
14 either a resale tax deed or a county commissioners' deed, or where  
15 such tract or parcel was nontaxable at the time of the assessment  
16 thereof for taxes, or where the sale thereof to such purchaser was  
17 illegal for any other reason; and such purchaser has no adequate  
18 recourse against the property thus sold; such reimbursement shall be  
19 made in the order of the claims filed with the county treasurer  
20 therefore, when properly supported by evidence satisfactory to said  
21 treasurer that the claimant is entitled to reimbursement hereunder.  
22 Provided, however, that no claim for refund not filed, as herein  
23 provided, within a period of three (3) years from the date of such  
24 sale shall be allowed or paid from said fund; and

1       4. For all rebates allowed under authority of statute by the  
2 board of county commissioners or the tax roll correction board of  
3 the county upon taxes found to have been illegally or erroneously  
4 collected, or on sale of certificate or issue of tax deed on lands  
5 or lots on which no tax was due or as to which the sale thereof is  
6 or was illegal for any reason. Provided, however, before the owner  
7 of such invalid deed may be reimbursed as aforesaid, he shall first  
8 be required to divest himself of purported title by attaching a  
9 quitclaim deed or other disclaimer to his claim for refund, setting  
10 out the reason for invalidity of the tax deed. The same procedure  
11 for refund shall apply whether the tax deed be from the county  
12 treasurer or the chairman of the board of county commissioners. The  
13 determination of whether such property has been erroneously sold for  
14 taxes to such purchaser, shall be made by the board of county  
15 commissioners; and in event title under an invalid resale tax deed  
16 remains with the county commissioners, the board of county  
17 commissioners so finding same invalid shall execute its resolution  
18 or order of disclaimer which shall be filed in the deed records of  
19 the county clerk without fee. No fee shall be charged for recording  
20 any quitclaim deed or disclaimer from the purchaser under the  
21 provisions of this section; and

22       5. To pay general operating expenses for the county treasurer's  
23 office.  
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1 C. The expenditures so made shall be made only upon sworn  
2 itemized claims approved by the county treasurer and filed with the  
3 county clerk and paid by cash voucher drawn by the county clerk  
4 payable from said fund. Claims for cost of publication shall take  
5 precedence over all other claims on said fund, otherwise said  
6 approved claims shall be paid in the order filed as funds accrue  
7 from sale of county property as hereinbefore provided. If any such  
8 claim has not been paid within three (3) years, the same shall cease  
9 to be an obligation of the resale property fund of such county; but  
10 nothing in this article shall operate to prevent the payment for  
11 such services from an appropriation for such purpose in the general  
12 fund of the county in the manner and under the restrictions provided  
13 by law.

14 D. Any residue of cash actually on hand in said fund at any  
15 time, after providing for the expense of delinquent tax publication,  
16 and for the mandatory holding of sales and resales, made or about to  
17 be made, the purchase of necessary records, printing and supplies  
18 and the payment of clerical hire, such expenditures, or reserve  
19 therefor, to be limited to the necessary expenses incurred by virtue  
20 of the authorization herein granted, may be expended by the county  
21 commissioners, without further appropriation, in the upkeep, repair  
22 and maintenance of unsold properties acquired by the county at  
23 resale, by the issuance of cash warrants on such fund in payment of  
24 sworn itemized claims therefor; limited in amount to the sum  
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1 certified to by the county treasurer as being actually on hand in  
2 excess of the amount reserved for the purposes hereinbefore stated.

3 E. On or before the 30th of June of each year the county  
4 treasurer shall file a financial statement of the resale property  
5 fund with the county clerk for the approval of the board of county  
6 commissioners, setting forth the necessary reserves for expenditures  
7 either made or anticipated, to cover:

8 1. The cost of preparing and making delinquent tax  
9 publications, as hereinbefore set out;

10 2. The purchase of necessary records, printing and supplies and  
11 the payment of clerical hire, such reserves therefor, to be limited  
12 to the necessary expenses incurred by virtue of the authorization  
13 herein granted;

14 3. To pay claims and encumbrances for the upkeep, repair and  
15 maintenance of unsold properties;

16 4. To pay all rebates allowed under authority of statute by the  
17 board of county commissioners or the board of tax roll corrections  
18 upon taxes found to have been illegally or erroneously collected;  
19 ~~and~~

20 5. To pay for tax sale certificates or issue of deeds on lands  
21 or lots on which no tax was due or as to which the sale thereof was  
22 illegal for any reason; and

23 6. To pay general operating expenses for the county treasurer's  
24 office.  
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1 F. Any balance remaining on hand over and above the necessary  
2 reserves for the above mentioned items shall be apportioned  
3 forthwith by the county treasurer in the following manner:

4 1. In each county having a net assessed valuation in excess of  
5 Eight Million Dollars (\$8,000,000.00):

6 a. one-third (1/3) of such surplus residue to such county  
7 to be applied first to the payment of delinquent  
8 warrants of such county, thereafter to its current  
9 general fund,

10 b. one-third (1/3) to the cities and towns of such  
11 county, in the ratio that the last certified assessed  
12 valuation of each bears to the total such assessed  
13 valuation of all such cities and towns in such county,  
14 to be by each of them applied in the payment of any  
15 delinquent warrants of such city or town, thereafter  
16 to its current general fund, and

17 c. one-third (1/3) to the various school districts of the  
18 county on a scholastic enumeration basis, to be  
19 applied by each of them to the payment of any  
20 delinquent warrants of such district and thereafter to  
21 its current general fund.

22 2. In each county having a net assessed valuation of Eight  
23 Million Dollars (\$8,000,000.00) or less:  
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- 1           a.    In the ratio that the county, city or town and school  
2                district levy bears to the fifteen-mill levy as  
3                allocated by the county excise board.
- 4           b.    Such surplus to the cities and towns of such county in  
5                the ratio that the last certified assessed valuation  
6                of each bears to the total assessed valuation of all  
7                such cities or towns in such county.
- 8           c.    Such surplus to the school districts of the county on  
9                a scholastic enumeration basis.
- 10          d.    The amounts apportioned to each county, city or town  
11                and school district shall be applied by each of them  
12                to the payment of any delinquent warrants of such  
13                municipality and thereafter to its current general  
14                fund.

15          G.    Nothing in this section shall be construed to repeal, amend,  
16 alter or modify any of the provisions of Sections 2479 or 2480 of  
17 this article, but shall be construed to be cumulative thereto.

18          SECTION 2.   This act shall become effective November 1, 2024.

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20          59-2-8612           MJ           01/17/24  
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