

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

COMMITTEE SUBSTITUTE
FOR

SENATE BILL NO. 679

By: Deevers

COMMITTEE SUBSTITUTE

An Act relating to ad valorem taxation; creating the Property Tax Transparency Act; providing short title; stating purpose; amending 68 O.S. 2021, Section 2830, which relates to the monitoring of valuation and determination of noncompliance; transferring authority of monitoring and determination of noncompliance to the State Auditor and Inspector; requiring annual audit of assessments; authorizing the imposition of certain penalty; amending 68 O.S. 2021, Section 2876, as last amended by Section 2, Chapter 335, O.S.L. 2022 (68 O.S. Supp. 2024, Section 2876), which relates to notice of increase of property valuation and protest; expanding taxpayer notification requirement to include all property owners; prescribing elements of notification; requiring the county assessor to provide taxpayer certain methodologies upon request; requiring the assessor to provide access to certain records and data upon request; requiring the State Auditor and Inspector to enforce provisions and compliance; requiring certain political subdivisions to assist with reporting certain violations; providing penalty for failure to provide certain notification or information; prescribing allocation of fines; providing for misdemeanor for certain violation; requiring submission of annual report; providing for noncodification; providing for codification; providing an effective date; and declaring an emergency.

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

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

4 This act shall be known and may be cited as the "Property Tax
5 Transparency Act".

6 SECTION 2. NEW LAW A new section of law not to be
7 codified in the Oklahoma Statutes reads as follows:

8 The purpose of this act is to ensure full transparency in
9 property tax assessments and billing by mandating detailed reporting
10 of:

- 11 1. Fair cash value with the methodology used for determination;
- 12 2. Assessment ratios;
- 13 3. Exemptions;
- 14 4. Property taxes; and
- 15 5. A breakdown of how property tax revenues are allocated and
16 spent.

17 This act further requires that a copy of the property tax bill
18 is sent directly to property owners, even if the property is in
19 escrow and the bank is responsible for payment.

20 SECTION 3. AMENDATORY 68 O.S. 2021, Section 2830, is
21 amended to read as follows:

22 Section 2830. A. The Oklahoma Tax Commission State Auditor and
23 Inspector, or an independent designee, shall monitor the progress of
24 valuation in each county as it occurs each year. Such monitoring

1 ~~may~~ shall be conducted by ~~periodic~~ annual audits of assessments of
2 each county through visits to the county or through an analysis of
3 assessment activity by means of a computer-assisted monitoring
4 program.

5 B. The ~~Oklahoma Tax Commission~~ State Auditor and Inspector
6 shall establish guidelines for determining the extent of
7 noncompliance with the applicable law or administrative rules
8 governing valuation of taxable property. Such guidelines shall
9 establish three categories of noncompliance. The categories shall
10 be respectively denominated as Category 1, Category 2 and Category
11 3. Each category shall represent progressive degrees of
12 noncompliance. Provided, if the ~~Tax Commission~~ State Auditor and
13 Inspector finds that a county assessor is not annually valuing
14 taxable real and personal property within the county as required by
15 Sections 2817 and 2829 of this title, the ~~Tax Commission~~ State
16 Auditor and Inspector shall certify that the county is not in
17 compliance with such statutes and shall be required to take action
18 as prescribed by this section for the appropriate category of
19 noncompliance according to the guidelines established pursuant to
20 the provisions of this subsection. The ~~Oklahoma Tax Commission~~
21 State Auditor and Inspector shall be authorized to take action as
22 prescribed by this section for each category of noncompliance as
23 follows:
24

1 Category 1: The ~~Oklahoma Tax Commission~~ State Auditor and
2 Inspector shall notify the county assessor of the nature of the
3 noncompliance and shall indicate the action required to correct such
4 noncompliance.

5 Category 2: The ~~Oklahoma Tax Commission~~ State Auditor and
6 Inspector shall order the action to be taken in order to bring the
7 county into compliance. The ~~Oklahoma Tax Commission~~ State Auditor
8 and Inspector is authorized to do any or all of the following:

9 1. Impose a schedule of required actions by county officials to
10 bring the county into compliance;

11 2. Establish deadlines for bringing the county into compliance;
12 or

13 3. Impose changes in procedures in the assessor's office, if
14 necessary, to facilitate continued compliance.

15 Category 3: The ~~Oklahoma Tax Commission~~ State Auditor and
16 Inspector shall notify the board of county commissioners and the
17 county assessor of the affected county that the county is in
18 violation of law or regulations relating to the valuation function
19 for the administration of the ad valorem tax. The ~~Oklahoma Tax~~
20 ~~Commission~~ State Auditor and Inspector shall conduct a conference,
21 within thirty (30) days after such notice, in that county with the
22 board of county commissioners, the county assessor and the county
23 board of equalization, to formally notify the county of the extent
24 of noncompliance and the measures necessary to correct it. The

1 ~~Oklahoma Tax Commission~~ State Auditor and Inspector is authorized to
2 do any or all of the following:

3 1. Impose a schedule of required actions by county officials to
4 bring the county into compliance;

5 2. Establish deadlines for bringing the county into compliance;

6 3. Impose changes in procedures in the assessor's office, if
7 necessary, to facilitate continued compliance;

8 4. Place the county valuation function under the temporary
9 supervision of a qualified ~~Oklahoma Tax Commission~~ employee of the
10 Office of the State Auditor and Inspector;

11 5. Require additional training for the assessor, deputies or
12 members of the equalization board; ~~or~~

13 6. Provide written or oral reports to the board of county
14 commissioners and the county board of equalization of the progress
15 in regaining compliance status for the county. Such reports shall
16 be public records; or

17 7. Impose a penalty pursuant to the provisions of Section 6 of
18 this act.

19 The ~~Oklahoma Tax Commission~~ State Auditor and Inspector shall
20 periodically conduct a review of the extent of noncompliance in each
21 county determined to be in Category 3 noncompliance. When the
22 ~~Oklahoma Tax Commission~~ State Auditor and Inspector determines that
23 such a county is in substantial compliance with the applicable law
24 or administrative regulations governing valuation of taxable

1 property, the ~~Commission~~ State Auditor and Inspector shall so
2 certify.

3 C. The ~~Oklahoma Tax Commission~~ State Auditor and Inspector may
4 request the Court of Tax Review to order a county determined to be
5 in Category 3 noncompliance to reimburse the ~~Oklahoma Tax Commission~~
6 State Auditor and Inspector from the county assessor's budget as
7 established in Section 2823 of this title for all costs incurred as
8 a result of the assumption of the valuation function by the
9 ~~Commission~~ State Auditor and Inspector. The salary of the county
10 assessor shall not be paid during the time that a qualified employee
11 of the ~~Oklahoma Tax Commission~~ State Auditor and Inspector is
12 supervising the valuation function in the county, but shall be
13 restored as of the date the ~~Commission~~ State Auditor and Inspector
14 certifies to the board of county commissioners that noncompliance
15 has been corrected.

16 D. The county assessor shall have the right to appeal an order
17 issued by the ~~Oklahoma Tax Commission~~ State Auditor and Inspector to
18 correct Category 2 noncompliance or to appeal a decision finding
19 Category 3 noncompliance in the manner provided by Section 2883 of
20 this title.

21 SECTION 4. AMENDATORY 68 O.S. 2021, Section 2876, as
22 last amended by Section 2, Chapter 335, O.S.L. 2022 (68 O.S. Supp.
23 2024, Section 2876), is amended to read as follows:
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1 Section 2876. A. ~~If the county assessor increases the~~
2 ~~valuation of any personal property above that returned by the~~
3 ~~taxpayer, or in the case of real property increases the fair cash~~
4 ~~value or the taxable fair cash value from the preceding year, or~~
5 ~~pursuant to the requirements of law if the assessor has added~~
6 ~~property not listed by the taxpayer, the county assessor~~ Annually,
7 each county assessor shall notify the taxpayer in writing of the
8 ~~amount of such valuation as increased or valuation of property so~~
9 ~~added~~ the following:

10 1. The valuation of personal property, if applicable, the fair
11 cash value of real property, and the taxable fair cash value of the
12 property;

13 2. The annual increase in the fair cash value of real property;

14 3. The assessment ratio and the net assessed value of the
15 property;

16 4. A detailed list of all exemptions, abatements, and
17 limitations on the growth of the fair cash value, including:

18 a. the type of exemption, abatement, or limitation,

19 b. the dollar value of each exemption, abatement, or
20 limitation, and

21 c. the criteria to receive each exemption, abatement, or
22 limitation;

23 5. The total ad valorem tax liability;
24

1 6. The millage rates for each ad valorem tax and the purpose of
2 each ad valorem tax;

3 7. The apportionment of the total ad valorem tax liability of
4 the taxpayer in dollar amounts by category, including, but not
5 limited to:

- 6 a. school districts,
- 7 b. technology center school districts,
- 8 c. public safety,
- 9 d. emergency medical services,
- 10 e. county operations,
- 11 f. municipal operations,
- 12 g. libraries,
- 13 h. waste management services,
- 14 i. departments of health, and
- 15 j. hospitals; and

16 8. The apportionment of the total ad valorem tax liability of
17 the taxpayer to service debt.

18 Provided, if the county assessor determines that a mailing to
19 property owners exempt from payment of ad valorem tax pursuant to
20 Sections 8E and 8F of Article X of the Oklahoma Constitution would
21 create an undue burden, then the county assessor may suspend
22 notifications to those property owners.

23 ~~B. For cases in which the taxable fair cash value or fair cash~~
24 ~~value of real property has increased, the notice shall include the~~

~~fair cash value of the property for the current year, the taxable
fair cash value for the preceding and current year, the assessed
value for the preceding and current year and the assessment
percentage for the preceding and current year.~~

~~C. For cases in which the county assessor increases the
valuation of any personal property above that returned by the
taxpayer, the notice shall describe the property with sufficient
accuracy to notify the taxpayer as to the property included, the
fair cash value for the current year, the assessment percentage for
the current year, any penalty for the current year pursuant to
subsection C of Section 2836 of this title and the assessed value
for the current year.~~

~~D.~~ The notice shall be mailed to the taxpayer at the taxpayer's
last-known address and shall clearly be marked with the mailing
date. The assessor shall have the capability to duplicate the
notice, showing the date of mailing. Such record shall be prima
facie evidence as to the fact of notice having been given as
required by this section.

~~E.~~ C. The taxpayer shall have thirty (30) calendar days from
the date the notice was mailed in which to file a written protest
with the county assessor specifying objections to the increase in
fair cash value or taxable fair cash value by the county assessor;
provided, in the case of a scrivener's error or other admitted error
on the part of the county assessor, the assessor may make

1 corrections to a valuation at any time, notwithstanding the thirty-
2 day period specified in this subsection. The protest shall set out
3 the pertinent facts in relation to the matter contained in the
4 notice in ordinary and concise language and in such manner as to
5 enable a person of common understanding to know what is intended.
6 The protest shall be made upon a form prescribed by the Oklahoma Tax
7 Commission.

8 ~~F.~~ D. A taxpayer may file a protest if the valuation of
9 property has not increased or decreased from the previous year if
10 the protest is filed on or before the first Monday in April. Such
11 protest shall be made upon a form prescribed by the Oklahoma Tax
12 Commission.

13 ~~G.~~ E. At the time of filing a protest pursuant to subsections ~~E~~
14 C and ~~F~~ D of this section, the taxpayer shall also file the form
15 provided for in Section 2835 of this title. If the taxpayer fails
16 to file the required form, a presumption shall exist in favor of the
17 correctness of the county assessor's valuation in any appeal of the
18 county assessor's valuation.

19 ~~H.~~ F. The county assessor shall schedule an informal hearing
20 with the taxpayer to hear the protest as to the disputed valuation
21 or addition of omitted property. The informal hearing may be held
22 in person or may be held telephonically, if requested by the
23 taxpayer. A taxpayer that is unable to participate in a scheduled
24 informal hearing, either in person or telephonically, shall be given

1 at least two additional opportunities to participate on one of two
2 alternative dates provided by the county assessor, each on a
3 different day of the week, before the county assessor or an
4 authorized representative of the county assessor. The assessor
5 shall issue a written decision in the matter disputed within seven
6 (7) calendar days of the date of the informal hearing and shall
7 provide by regular or electronic mail a copy of the decision to the
8 taxpayer. The decision shall clearly be marked with the date it was
9 mailed. Within fifteen (15) calendar days of the date the decision
10 is mailed, the taxpayer may file an appeal with the county board of
11 equalization. The appeal shall be made upon a form prescribed by
12 the Oklahoma Tax Commission. One copy of the form shall be mailed
13 or delivered to the county assessor and one copy shall be mailed or
14 delivered to the county board of equalization. On receipt of the
15 notice of an appeal to the county board of equalization by the
16 taxpayer, the county assessor shall provide the county board of
17 equalization with all information submitted by the taxpayer, data
18 supporting the disputed valuation and a written explanation of the
19 results of the informal hearing.

20 SECTION 5. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 2876.2 of Title 68, unless there
22 is created a duplication in numbering, reads as follows:
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1 A. Upon the request of a taxpayer, the county assessor shall
2 provide a detailed explanation of the methodology used to determine
3 the fair cash value, including:

4 a. comparable sales data, including addresses and sale
5 prices of similar properties,

6 b. adjustments made for property-specific factors such as
7 size, age, condition, and location, and

8 c. any other considerations affecting valuation, such as
9 zoning changes, recent improvements, or market trends.

10 B. Upon the request of a taxpayer, the assessor shall provide
11 access to and authorize the review of all records and data used in
12 determining the fair cash value of the real property and the
13 valuation of the personal property of the taxpayer.

14 SECTION 6. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 2876.3 of Title 68, unless there
16 is created a duplication in numbering, reads as follows:

17 A. The enforcement of the provisions of this act shall be the
18 responsibility of the State Auditor and Inspector, in collaboration
19 with relevant county authorities. The State Auditor and Inspector
20 shall enforce compliance with the reporting and transparency
21 requirements of this act. County governments shall assist by
22 identifying and reporting violations at the local level.

23 B. Failure to provide the notification to property owners
24 required by this act or the failure to provide information requested

1 by the taxpayer as provided in this act shall result in a fine not
2 to exceed One Thousand Dollars (\$1,000.00) per violation. Fines
3 shall be collected by the State Auditor and Inspector and shall be
4 allocated as follows:

- 5 1. Fifty percent (50%) to the State Auditor and Inspector;
- 6 2. Twenty-five percent (25%) to the county fund of the county
7 where the violation occurred; and
- 8 3. Twenty-five percent (25%) to the municipality where the
9 violation occurred. If the violation did not occur in a
10 municipality, then the portion provided by this paragraph shall be
11 allocated to the county fund of the county where the violation
12 occurred.

13 C. Persons who knowingly provide inaccurate information on
14 property assessments, tax bills, or expenditure breakdowns as
15 provided in this act shall, upon conviction, be guilty of a
16 misdemeanor and, upon conviction thereof, may be punished by a fine
17 not to exceed One Thousand Dollars (\$1,000.00).

18 D. The State Auditor and Inspector shall prepare an annual
19 report detailing:

- 20 1. The number and nature of violations;
- 21 2. Total fines collected and their allocation; and
- 22 3. Recommendations for improving enforcement and compliance
23 with this act.

24 SECTION 7. This act shall become effective July 1, 2025.

1 SECTION 8. It being immediately necessary for the preservation
2 of the public peace, health or safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

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