

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               1st Session of the 60th Legislature (2025)

4   ENGROSSED SENATE  
5   BILL NO. 1114

By: Woods of the Senate

and

Kannady of the House

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9           **[ ad valorem tax - proposed amendment to Section 8C**  
10           **of Article X of the Oklahoma Constitution -**  
11           **providing credit for owners of property -**  
12           **stipulating credit amount - prescribing procedures**  
13           **to claim credit - requiring assessor to deduct**  
14           **credit amount - prohibiting refundability of credit**  
15           **- ballot title - directing filing ]**  
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19   BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

20           SECTION 1. The Secretary of State shall refer to the people for  
21   their approval or rejection, as and in the manner provided by law,  
22   the following proposed amendment to Section 8C of Article X of the  
23   Oklahoma Constitution to read as follows:  
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1       Section 8C. A. Despite any provision to the contrary,  
2 beginning January 1, 2005, the fair cash value, as determined by  
3 law, on each homestead of an individual head of household whose  
4 gross household income from all sources for the preceding calendar  
5 year did not exceed an amount as provided in subsection B of this  
6 section, and which individual head of household is sixty-five (65)  
7 years of age or older, shall not exceed the fair cash value placed  
8 upon the property during the first year in which the individual head  
9 of household was sixty-five (65) years of age or older and had gross  
10 household income from all sources which did not exceed an amount as  
11 provided in subsection B of this section. Subject to the  
12 limitations of this section, the fair cash value shall not exceed  
13 such amount as long as the individual head of household who is  
14 sixty-five (65) years of age or older owns and occupies the property  
15 and as long as the gross household income from all sources does not  
16 exceed an amount as provided in subsection B of this section. If  
17 any improvements are made to the property, the fair cash value of  
18 the improvements shall be assessed in accordance with law by the  
19 county assessor and added to the assessed value of the property.  
20 Once the fair cash value of the improvements has been added to the  
21 fair cash value of the property, the total fair cash value shall not  
22 exceed the revised valuation of the property so long as the  
23 individual head of household who is sixty-five (65) years of age or  
24 older owns and occupies the property and so long as the gross

1 household income from all sources does not exceed an amount as  
2 provided in subsection B of this section. For any individual head  
3 of household who is sixty-five (65) years of age or older prior to  
4 January 1, 1997, and has gross household income from all sources of  
5 Twenty-five Thousand Dollars (\$25,000.00) or less in calendar year  
6 1996, the fair cash value of the real property shall be the fair  
7 cash value placed upon the property on January 1, 1997. If the  
8 individual head of household ceases to own and occupy the property  
9 or if the gross household income from all sources exceeds an amount  
10 as provided in subsection B of this section, the fair cash value of  
11 the property shall be determined as if the provisions of Section 8  
12 of ~~Article X~~ this article of the Oklahoma Constitution ~~of the State~~  
13 ~~of Oklahoma~~ or any other provisions relating to a limitation on the  
14 fair cash value of locally assessed real property had been in effect  
15 during the time the property was valued pursuant to the provisions  
16 of this section.

17 B. The income threshold for the gross household income from all  
18 sources for an individual head of household under subsection A of  
19 this section shall not exceed the amount determined by the United  
20 States Department of Housing and Urban Development to be the  
21 estimated median income for the preceding year for the county or  
22 metropolitan statistical area which includes such county. The  
23 Oklahoma Tax Commission shall provide such information to each  
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1 county assessor each year as soon as such information becomes  
2 available.

3 C. For tax years 2026 and subsequent tax years, there shall be  
4 allowed a credit against the ad valorem tax levied pursuant to this  
5 article of the Oklahoma Constitution for owners of a homestead that  
6 qualify for the limitation on the increase of fair cash value  
7 pursuant to subsection A of this section in an amount equal to the  
8 difference between the ad valorem tax liability of the property  
9 owner for the homestead property of the prior tax year and the ad  
10 valorem tax liability for the homestead property in the tax year in  
11 which the property owner first qualified for the limitation on the  
12 increase of fair cash value pursuant to subsection A of this  
13 section. Provided, if the ad valorem tax liability of the property  
14 owner for the homestead property in the tax year in which the  
15 property owner first qualified for the limitation on the increase of  
16 fair cash value pursuant to subsection A of this section exceeds the  
17 ad valorem tax liability of the property for the homestead property  
18 in the prior tax year, there shall be no credit allowed.

19 D. The credit authorized pursuant to subsection C of this  
20 section shall be claimed on a form prescribed by the county assessor  
21 for the county in which the homestead is located no later than  
22 October 1 of each tax year. The county assessor shall deduct  
23 qualifying claims for credit from the tax liability of the property  
24 owner.

1       E. The credit claimed pursuant to subsection C of this section  
2 shall not be used to reduce the ad valorem tax liability of the  
3 property owner to less than zero (0).

4       SECTION 2. The Ballot Title for the proposed Constitutional  
5 amendment as set forth in SECTION 1 of this act shall be in the  
6 following form:

7                               BALLOT TITLE

8 Legislative Referendum No. \_\_\_\_\_ State Question No. \_\_\_\_\_

9 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

10       This measure amends Section 8C of Article 10 of the Oklahoma  
11 Constitution. The measure provides a property tax credit on the  
12 homestead of an individual head of household who is at least  
13 sixty-five years of age and qualifies for the limitation on the  
14 growth of fair cash value. The property tax credit would be  
15 equal to the difference between the property owner's current  
16 property tax liability for the homestead and the property tax  
17 liability of the homestead the year in which the homestead first  
18 qualified for the limitation on fair cash value. This ensures  
19 that the property tax liability does not increase on the  
20 homestead so long as the homestead qualifies.

21 SHALL THE PROPOSAL BE APPROVED?

22 FOR THE PROPOSAL — YES \_\_\_\_\_

23 AGAINST THE PROPOSAL — NO \_\_\_\_\_

1       SECTION 3. The President Pro Tempore of the Senate shall,  
2 immediately after the passage of this act, prepare and file one copy  
3 thereof, including the Ballot Title set forth in SECTION 2 hereof,  
4 with the Secretary of State and one copy with the Attorney General.

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6 COMMITTEE REPORT BY: COMMITTEE ON RULES, dated - 04/15/2025 - DO  
PASS AS AMENDED.

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