

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 SENATE BILL 1855

By: Sacchieri

6 AS INTRODUCED

7 An Act relating to county assessors; amending 68 O.S.
8 2021, Sections 2802, 2820, 2821, 2822, and 2829,
9 which relate to the Ad Valorem Tax Code; modifying
10 definition; modifying length of cycle for visual
11 inspection program; prescribing period of initial
12 modified cycle; making language gender neutral;
13 updating statutory language; updating statutory
14 references; and providing an effective date.

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

16 SECTION 1. AMENDATORY 68 O.S. 2021, Section 2802, is
17 amended to read as follows:

18 Section 2802. As used in Section 2801 et seq. of this title:

19 1. "Accepted standards for mass appraisal practice" means those
20 standards for the collection and analysis of information about
21 taxable properties within a taxing jurisdiction permitting the
22 accurate estimate of fair cash value for similar properties in the
23 jurisdiction either without direct observation of such similar
24 properties or without direct sales price information for such
similar properties using a reliable statistical or other method to
estimate the values of such properties;

1 2. "Additional homestead exemption" means the exemption
2 provided by Section 2890 of this title;

3 3. "Assessor" means the county assessor and, unless the context
4 clearly requires otherwise, deputy assessors and persons employed by
5 the county assessor in performance of duties imposed by law;

6 4. "Assess and value" means to establish the fair cash value
7 and taxable fair cash value of taxable real and personal property
8 pursuant to requirements of law;

9 5. "Assessed valuation" or "assessed value" means the
10 percentage of the fair cash value of personal property, or the
11 percentage of the taxable fair cash value of real property, pursuant
12 to the provisions of Sections 8 and 8B of Article X of the Oklahoma
13 Constitution, either of individual items of personal property,
14 parcels of real property or the aggregate total of such individual
15 taxable items or parcels within a jurisdiction;

16 6. "Assessment percentage" means the percentage applied to
17 personal property and real property pursuant to Section 8 of Article
18 X of the Oklahoma Constitution;

19 7. "Assessment ratio" means the relationship between assessed
20 value and taxable fair cash value for a county or for use categories
21 within a county expressed as a percentage determined in the annual
22 equalization ratio study;

1 8. "Assessment roll" means a computerized or noncomputerized
2 record required by law to be kept by the county assessor and
3 containing information about property within a taxing jurisdiction;

4 9. "Assessment year" means the year beginning January 1 of each
5 calendar year and ending on December 31 preceding the following
6 January 1 assessment date;

7 10. "Circuit breaker" means the form of property tax relief
8 provided by Sections 2904 through 2911 of this title;

9 11. "Class of subjects" means a category of property
10 specifically designated pursuant to provisions of the Oklahoma
11 Constitution for purposes of ad valorem taxation;

12 12. "Code" means the Ad Valorem Tax Code, Section 2801 et seq.
13 of this title;

14 13. "Coefficient of dispersion" means a statistical measure of
15 assessment uniformity for a category of property or for all property
16 within a taxing jurisdiction;

17 14. "Confidence level" means a statistical procedure for
18 determining the degree of reliability for use in reporting the
19 assessment ratio for a taxing jurisdiction;

20 15. "Cost approach" means a method used to establish the fair
21 cash value of property involving an estimate of current construction
22 cost of improvements, subtracting accrued depreciation including any
23 loss in value that may be caused by physical deterioration,

1 functional obsolescence or economic obsolescence and adding the
2 value of the land.

3 a. Physical deterioration is a cause of depreciation that
4 is a loss in value due to ordinary wear and tear and
5 the forces of nature.

6 b. Functional or internal obsolescence is the loss in
7 value of a property resulting from changes in tastes,
8 preferences, technical innovations or market
9 standards.

10 c. Economic or external obsolescence is a cause of
11 depreciation that is a loss in value as a result of
12 impairment in utility and desirability caused by
13 factors outside the boundaries of the property or loss
14 of value in a property (relative, relative to the cost
15 of replacing it with a property of equal utility,
16 utility that stems from factors external to the
17 property;

18 16. "County board of equalization" means the board which, upon
19 hearing competent evidence, has the authority to correct and adjust
20 the assessment rolls in its respective county to conform to fair
21 cash value and such other responsibilities as prescribed in Section
22 2801 et seq. of this title;

23 17. "Equalization" means the process for making adjustments to
24 taxable property values within a county by analyzing the

1 relationships between assessed values and fair cash values in one or
2 more use categories within the county or between counties by
3 analyzing the relationship between assessed value and fair cash
4 value in each county;

5 18. "Equalization ratio study" means the analysis of the
6 relationships between assessed values and fair cash values in the
7 manner provided by law;

8 19. "Fair cash value" or "market value" means the value or
9 price at which a willing buyer would purchase property and a willing
10 seller would sell property if both parties are knowledgeable about
11 the property and its uses and if neither party is under any undue
12 pressure to buy or sell and for real property shall mean the value
13 for the highest and best use for which such property was actually
14 used, or was previously classified for use, during the calendar year
15 next preceding the applicable January 1 assessment date;

16 20. "Homestead exemption" means the reduction in the taxable
17 value of a homestead as authorized by law;

18 21. "Income and expense approach" means a method to estimate
19 fair cash value of a property by determining the present value of
20 the projected income stream;

21 22. "List and assess" means the process by which taxable
22 property is discovered, its description recorded for purposes of ad
23 valorem taxation and its fair cash value and taxable fair cash value
24 are established;

1 23. "Mill" or "millage" means the rate of tax imposed upon
2 taxable value. One (1) mill equals One Dollar (\$1.00) of tax for
3 each One Thousand Dollars (\$1,000.00) of taxable value;

4 24. "Multiple regression analysis" means a statistical
5 technique for estimating unknown data on the basis of known and
6 available data;

7 25. "Parcel" means a contiguous area of land described in a
8 single description by a deed or other instrument or as one of a
9 number of lots on a plat or plan, separately owned and capable of
10 being separately conveyed;

11 26. "Sales comparison approach" means the collection,
12 verification, and screening of sales data, stratification of sales
13 information for purposes of comparison and use of such information
14 to establish the fair cash value of taxable property;

15 27. "State Board of Equalization" means the Board responsible
16 for valuation of railroad, airline and public service corporation
17 property and the adjustment and equalization of all property values
18 both centrally and locally assessed;

19 28. "Taxable value" means the percentage of the fair cash value
20 of personal property or the taxable fair cash value of real
21 property, less applicable exemptions, upon which an ad valorem tax
22 rate is levied pursuant to the provisions of Section 8 and Section
23 8B of Article X of the Oklahoma Constitution;

1 29. "Taxable fair cash value" means the fair cash value of
2 locally assessed real property as capped pursuant to Section 8B of
3 Article X of the Oklahoma Constitution;

4 30. "Use category" means a subcategory of real property, that
5 is either agricultural use, residential use or commercial/industrial
6 use but does not and shall not constitute a class of subjects within
7 the meaning of the Oklahoma Constitution for purposes of ad valorem
8 taxation;

9 31. "Use value" means the basis for establishing fair cash
10 value of real property pursuant to the requirement of Section 8 of
11 Article X of the Oklahoma Constitution; and

12 32. "Visual inspection program" means the program required in
13 order to gather data about real property from physical examination
14 of the property and improvements in order to establish the fair cash
15 values of properties so inspected at least once each ~~four~~ (4) five
16 (5) years and the fair cash values of similar properties on an
17 annual basis.

18 SECTION 2. AMENDATORY 68 O.S. 2021, Section 2820, is
19 amended to read as follows:

20 Section 2820. A. Each county assessor shall conduct a
21 comprehensive program for the individual visual inspection of all
22 taxable property within his or her respective county. Each assessor
23 shall thereafter maintain an active and systematic program of visual
24 inspection on a continuous basis and shall establish an inspection

1 schedule which will result in the individual visual inspection of
2 all taxable property within the county at least once each ~~four~~ (4)
3 five (5) years.

4 B. The first cycle of visual inspections for property shall
5 begin upon ~~January 1, 1991~~ January 1, 2027, as prescribed by Section
6 ~~2481.1 of Title 68 of the Oklahoma Statutes~~, and shall end upon
7 ~~December 31, 1994~~ December 31, 2031. Thereafter, each succeeding
8 ~~four-year~~ five-year cycle for visual inspections shall begin upon
9 January 1 of the year following the ~~fourth~~ fifth year of the
10 preceding cycle and shall end upon December 31 of the applicable
11 ~~four-year~~ five-year cycle. The county assessor shall utilize the
12 standard parcel identification system required by law to assign each
13 parcel of real property a unique identification code or number. The
14 code or number shall be used to ensure that the inspection sequence
15 for real property results in a visual inspection of each parcel at
16 least once each ~~four~~ (4) five (5) years. Each successor of the
17 county assessor shall use the same cycle as used by the assessor's
18 predecessor in office for visual inspections of property.

19 C. Prior to the beginning of the first visual inspection cycle
20 and each subsequent visual inspection cycle, the county assessor
21 shall develop a plan that details the number of real property
22 parcels to be inspected in each year of the cycle by use category,
23 geographic area or other basis, the resources and budget proposed to
24 complete the inspections and the valuation methodology to be used in

1 determining the fair cash value of the real property and
2 improvements thereon. The plan shall be adequate to ensure the
3 visual inspection of all parcels of real property within the county
4 at least once each ~~four (4)~~ five (5) years. The plan shall also be
5 adequate to ensure that the information collected from the visual
6 inspection of real property each year is sufficient to establish a
7 representative sample from each use category in order to conduct the
8 proper valuation of all taxable property within each use category by
9 means of an accepted standard for mass appraisal practice. The
10 county assessor shall submit the proposed plan to the Oklahoma Tax
11 Commission by the first working day in October preceding the
12 beginning of the ~~four-year~~ five-year cycle. The Oklahoma Tax
13 Commission shall either approve the plan if the plan and resources
14 are adequate to complete the cycle and if the plan will result in a
15 representative sample from each use category in order to value all
16 taxable property each year or shall correct and modify the plan in
17 order to establish a program for visual inspection that will be
18 completed by the end of the cycle and that will provide a
19 representative sample from each use category in order to value all
20 taxable property each year. An approved plan shall be made for each
21 county as of the beginning date of each cycle and a copy of such
22 plan shall be filed with the Oklahoma Tax Commission.

23 D. Each year the county assessor shall submit a progress report
24 to the Oklahoma Tax Commission indicating the number of real
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1 property parcels inspected by use category, geographic area or other
2 basis, the resources and budget expended in the last completed
3 fiscal year and the valuation methodology used to determine fair
4 cash values of the real property and improvements. The Oklahoma Tax
5 Commission shall correct and modify any visual inspection plan
6 during the ~~four-year~~ five-year cycle if progress reports indicate
7 that inspection of real property parcels will not be completed or
8 will be performed in violation of legal requirements for such
9 inspections. The county assessor shall be required to complete the
10 ~~four-year~~ five-year cycle in accordance with such plan as corrected
11 and modified.

12 E. Each county assessor shall prepare and submit to the
13 Oklahoma Tax Commission a detailed report of the progress made in
14 the visual inspection program in his or her county to the date of
15 the report and it shall be made a matter of public record. Such
16 report shall be submitted upon forms supplied by the Oklahoma Tax
17 Commission and shall consist of such information as the Oklahoma Tax
18 Commission requires. The progress report shall be submitted not
19 later than October 15 each year or the first working day thereafter.
20 Based in part on all such county progress reports, the Oklahoma Tax
21 Commission shall prepare its own report from all sources and
22 transmit a copy of its own report to the Legislature and the State
23 Board of Equalization.

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1 SECTION 3. AMENDATORY 68 O.S. 2021, Section 2821, is

2 amended to read as follows:

3 Section 2821. A. Each county assessor shall cause real
4 property to be physically inspected as part of the visual inspection
5 cycle and shall require such examination as will provide adequate
6 data from which to make accurate valuations.

7 B. The information gathered from the physical inspection shall
8 be relevant to the type of property involved, its use category, the
9 valuation methodology to be used for the property, whether the
10 methodology consists of the cost approach, an income and expense
11 approach or sales comparison approach, and shall be complete enough
12 in order to establish the fair cash value of the property in
13 accordance with accepted standards for mass appraisal practice.

14 C. Information gathered during the physical inspection shall be
15 recorded using a standard method as prescribed by the Oklahoma Tax
16 Commission in computerized or noncomputerized form. The information
17 may include property ownership, location, size, use, use category, a
18 physical description of the land and improvements or such other
19 information as may be required.

20 D. In order to conduct the visual inspections of real property
21 during the four-year five-year cycle, each county assessor shall
22 acquire and maintain cadastral maps and a parcel identification
23 system. The standards for the cadastral maps and the parcel
24 identification system shall be uniform for each county of the state

1 and shall be in such form as developed by the Ad Valorem ~~Task Force~~
2 Division of the Oklahoma Tax Commission.

3 E. The county assessor shall maintain a comprehensive sales
4 file for each parcel of real property within the county containing
5 relevant property characteristics, sales price information,
6 adjustments to sales price for purposes of cash equivalency,
7 transaction terms and such other information as may be required in
8 order to establish the fair cash value of taxable real property.
9 Each county assessor shall ensure that the office is equipped with
10 adequate drafting facilities, tools, equipment and supplies in order
11 to produce or update maps, sketches or drawings necessary to support
12 the proper administration of the ad valorem tax and such other tools
13 or equipment as may be required to perform duties imposed by law for
14 the discovery and valuation of taxable property.

15 SECTION 4. AMENDATORY 68 O.S. 2021, Section 2822, is
16 amended to read as follows:

17 Section 2822. A. Each county assessor in budgets submitted to
18 the county excise board or county budget board shall make adequate
19 provision to effect countywide visual inspections of real property
20 during the ~~four-year~~ five-year cycle.

21 B. Each jurisdiction within a county which receives revenue
22 from an ad valorem mill rate shall receive a copy of the budget for
23 the countywide visual inspection program for that county. The
24 county excise board or county budget board shall notify all such

1 jurisdictions of any meetings at which discussion or action on the
2 budget for the comprehensive program of visual inspections is or may
3 be on the agenda. Such jurisdictions shall have the opportunity to
4 appear before the county excise board or the county budget board,
5 prior to approval of such budgets, to provide testimony, comments,
6 information, and documentation concerning the budgets submitted by
7 the county assessor pursuant to subsection A of this section.

8 C. The several county excise and budget boards, in passing upon
9 budgets submitted by the several assessors, shall authorize and levy
10 amounts which will suffice to carry out the countywide visual
11 inspection program as approved by the Oklahoma Tax Commission under
12 Section 2820 of this title. Such amounts shall be separate from
13 other funds allocated to the office of county assessor and shall be
14 used exclusively to carry out the countywide visual inspection
15 program. The allocation of such amounts shall not serve to decrease
16 other funds allocated to the office of county assessor by the county
17 excise board or the county budget board. Any disputes as to the
18 amount authorized to carry out the countywide visual inspection
19 program shall be resolved by the county excise board; provided, the
20 Oklahoma Tax Commission shall take such action as may be necessary
21 to ensure that such amounts are used exclusively to carry out the
22 countywide visual inspection program and that the allocation of such
23 amounts does not serve to decrease other funds allocated to the
24 office of county assessor.

1 SECTION 5. AMENDATORY 68 O.S. 2021, Section 2829, is

2 amended to read as follows:

3 Section 2829. A. Each county assessor, in order to comply with
4 the provisions of Section ~~17~~ 2817 of this ~~act~~ title requiring the
5 annual valuation of all taxable real and personal property within
6 the county, shall establish the fair cash value of such taxable
7 property using an accepted mass appraisal methodology.

8 B. For purposes of this section "accepted mass appraisal
9 methodology" shall mean the process for making estimates of fair
10 cash value for a property about which no direct or timely
11 information is available concerning economic value by using known
12 information about the property characteristics, location, use, size,
13 sales price and other information of similar properties. Such mass
14 appraisal methodology may include multiple regression analysis or
15 other statistical techniques for mass appraisal. If information of
16 similar properties is not available in the taxing jurisdiction, the
17 county assessor may use other applicable regional or national
18 information to annually determine the fair cash value of a property
19 estimated at the price it would bring at a fair voluntary sale as
20 provided in Section ~~17~~ 2817 of this ~~act~~ title.

21 C. Each county assessor shall utilize the information gathered
22 from the visual inspection of real property conducted during each
23 year of the ~~four-year~~ five-year cycle for such inspections and shall
24 conduct such statistical calculations using the data so acquired

1 together with sales price or other information available as may be
2 required to make accurate estimates of fair cash values for all
3 taxable real or personal property within the county each year. The
4 results of such calculations shall be recorded on the assessment
5 roll of the county on an annual basis in order to reflect any
6 increase or decrease in the fair cash value of any property in any
7 year.

8 D. The statistical analysis required by this section shall be
9 performed within each county using such computer facilities as may
10 be available, but shall be conducted in accordance with procedures
11 established for the uniform mass appraisal program established by
12 the Oklahoma Tax Commission.

13 SECTION 6. This act shall become effective January 1, 2027.
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