

BILL/VERSION:	SB 1211 / INTRODUCED	ANALYST: EC
AUTHORS:	Sen. Sacchieri	DATE: 1/23/2026
TAX(ES):	Ad Valorem Tax	
SUBJECT(S):	5-Year Manufacturing Exemption	
EFFECTIVE DATE:	November 1, 2026	Emergency <input type="checkbox"/>

ESTIMATED REVENUE IMPACT: None.

ESTIMATED APPORTIONMENT IMPACT:

Ad Valorem Reimbursement Fund: Unknown.

ANALYSIS: SB 1211 amends 68 O.S. § 2902 to prohibit entities that employ individuals meeting the definition of an H-1B nonimmigrant, as provided in 8 U.S.C. § 1182(n)(4)(C), from qualifying for the five-year ad valorem tax exemption for manufacturing facilities beginning January 1, 2027. Under current law, qualifying manufacturing companies may receive an exemption from ad valorem taxation on new, acquired, or expanded manufacturing facilities for a period of five years.

Based on Oklahoma Tax Commission data, about 186 companies are currently receiving the five-year manufacturing exemption statewide. However, the Tax Commission does not collect or maintain information identifying whether exempt entities employ H-1B workers. As a result, it is not possible to determine how many currently exempt companies would be affected by the proposed restriction.

Because the number of exempt entities employing H-1B workers is unknown, the fiscal impact cannot be quantified. Properties that do not qualify for the exemption would instead be subject to regular ad valorem taxation, with counties, school districts, and other local taxing jurisdictions receiving collections directly rather than through state reimbursement, resulting in a largely neutral local impact. The State may see reduced obligations from the Ad Valorem Reimbursement Fund if fewer facilities qualify, potentially freeing funds for other eligible reimbursements. Any impact would depend on the number of affected entities, the remaining exemption periods, and the taxable value of the property.

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The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted. This estimate reflects current available data as of the date of issuance and is subject to revision if additional information becomes known.