

1 STATE OF OKLAHOMA

2 2nd Session of the 58th Legislature (2022)

3 SENATE BILL 1501

By: Floyd

4
5
6 AS INTRODUCED

7 An Act relating to housing authority; amending 63
8 O.S. 2021, Section 1066, which relates to tax
9 exemption and payments in lieu of taxes; modifying
10 exemption to include an entity wholly owned by an
11 authority; providing exemption for housing that is
12 owned, leased, or under construction by a housing
13 authority from certain taxes; providing exemption for
14 housing in which an authority has an ownership
15 interest on a proportional basis to that ownership;
16 authorizing the authority to determine the
17 proportional basis based on certain methods;
18 requiring the presumption of validity absent manifest
19 error; and providing an effective date.

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

21 SECTION 1. AMENDATORY 63 O.S. 2021, Section 1066, is
22 amended to read as follows:

23 Section 1066. The property and funds of a housing authority or
24 an entity that is wholly owned by an authority are declared to be
used for charitable purposes and to be public property used for
essential public and governmental purposes, and ~~such~~ the property,
~~and the authority,~~ and any entity that is wholly owned by an
authority are exempt from all taxes, including sales and use taxes

1 and special assessments of the state or any state or local public
2 body. In lieu of taxes on its property an authority shall agree to
3 make such payments to the state or any state or local public body as
4 the governing body of the city or county finds consistent with the
5 maintenance of the low-rent character of housing projects and the
6 achievement of the purposes of this act, provided that not less than
7 one-half (1/2) of the annual amount of such payment in lieu of taxes
8 shall be paid to the school district within which the property of
9 the housing authority is located. The amount of money collected
10 under the provisions of this act shall not be considered as
11 chargeable income to the district receiving such funds. The tax
12 exemption provided by this section does not apply to any portion of
13 a project used by a profit-making enterprise, but in taxing such
14 portions appropriate allowance shall be made for any expenditure by
15 an authority for utilities or other public services which it
16 provides to serve the property. A project that is owned by, leased
17 to, or under construction by a housing authority or an entity that
18 is wholly owned by an authority, or an entity that an authority has
19 an ownership interest in, or an entity with ownership interest that
20 is wholly owned by an authority, or an entity with ownership
21 interest that an authority is the sole member of shall be exempt,
22 during construction, from the payment of sales and use taxes to the
23 state or any county, city, municipality, or other political
24 subdivision of the state in proportion to the percentage of the

1 project that is for occupancy by persons of low income. The
2 determination by an authority of the percentage of the project that
3 qualifies for the exemptions from payment of sales and use taxes may
4 be made on the basis of either the relative square footage or cost
5 and is presumed valid absent manifest error.

6 SECTION 2. This act shall become effective November 1, 2022.

7
8 58-2-2992 QD 1/20/2022 8:04:13 AM
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25