

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 SENATE BILL 741

By: Bass

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5  
6 AS INTRODUCED

7 An Act relating to ad valorem taxes; amending 62 O.S.  
8 2011, Section 193, as amended by Section 457, Chapter  
9 304, O.S.L. 2012 (62 O.S. Supp. 2014, Section 193),  
10 which relates to procedures for reimbursement from Ad  
11 Valorem Reimbursement Fund; requiring certain  
12 disbursement of reimbursement to be made in certain  
13 manner; amending 68 O.S. 2011, Section 2923, which  
14 relates to distribution of ad valorem collections;  
15 modifying timeline for certain disbursement; and  
16 declaring an emergency.

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

18 SECTION 1. AMENDATORY 62 O.S. 2011, Section 193, as  
19 amended by Section 457, Chapter 304, O.S.L. 2012 (62 O.S. Supp.  
20 2014, Section 193), is amended to read as follows:

21 Section 193. A. There is hereby created in the State Treasury  
22 a revolving fund for the Oklahoma Tax Commission to be designated  
23 the "Ad Valorem Reimbursement Fund". The fund shall be a continuing  
24 fund, not subject to fiscal year limitations. Monies apportioned to  
this fund shall be expended:

1        1. To reimburse counties of this state for loss of revenue due  
2 to exemptions of ad valorem taxes for new or expanded manufacturing  
3 or research and development facilities;

4        2. To reimburse counties of this state for loss of revenue for  
5 school district and county purposes due to exemptions granted  
6 pursuant to the provisions of Section 2890 of Title 68 of the  
7 Oklahoma Statutes; and

8        3. To reimburse counties of this state for loss of revenue due  
9 to decreased valuation and assessment for buffer strips pursuant to  
10 Section 2817.2 of Title 68 of the Oklahoma Statutes.

11        Provided that it shall be the duty of the Tax Commission to  
12 assess the valuation of all property for new or expanded  
13 manufacturing or research and development facilities which are  
14 exempt from ad valorem taxes.

15        Monies apportioned to this fund also may be transferred to other  
16 state funds or otherwise expended as directed by the Legislature by  
17 law.

18        B. The county commissioners of each county seeking  
19 reimbursement for lost revenue from the Ad Valorem Reimbursement  
20 Fund shall make claims for reimbursement on forms prescribed by the  
21 Tax Commission prior to April 30 of each year. Claims for  
22 reimbursement for loss of revenue due to exemptions of ad valorem  
23 taxes for new or expanded manufacturing or research and development  
24 facilities shall be made separately from claims for reimbursement

1 for loss of revenue for school district and county purposes due to  
2 exemptions granted pursuant to the provisions of Section 2890 of  
3 Title 68 of the Oklahoma Statutes and separately from claims for  
4 reimbursement for loss of revenue for decreased valuation and  
5 assessment of buffer strips. Provided, the assessed valuation of a  
6 school district as stated in the claim for reimbursement shall be  
7 the same as reported to the State Department of Education on the  
8 Estimate of Need and shall include the total valuation of property  
9 exempt from taxation pursuant to Section 2902 of Title 68 of the  
10 Oklahoma Statutes. The claims shall be either approved or  
11 disapproved in whole or in part by the Tax Commission by June 15 of  
12 each year. A claim for reimbursement for loss of revenue due to an  
13 exemption of ad valorem taxes for a new or expanded manufacturing or  
14 research and development facility shall be disapproved if a county  
15 or school district has received any payment in lieu of ad valorem  
16 taxes from such facility, to the extent of the amount of such  
17 reimbursement. If the Tax Commission determines that an exemption  
18 has been erroneously or unlawfully granted, it shall notify the  
19 appropriate county assessor who shall immediately value and assess  
20 the property and place it on the rolls for ad valorem taxation.  
21 Disbursements from the fund shall be made on warrants issued by the  
22 State Treasurer against claims filed by the Tax Commission with the  
23 Office of Management and Enterprise Services for payment. Such  
24 disbursements shall be exempt from all agency expenditure ceilings.

1 The county treasurer shall apportion or disburse such funds for  
2 expenditures in the same manner as other ad valorem tax collections;  
3 provided, funds due to school districts which are to be used for  
4 debt service shall be disbursed immediately.

5 C. In the event monies apportioned to the Ad Valorem  
6 Reimbursement Fund are insufficient to pay all claims for  
7 reimbursement made pursuant to subsection B of this section, claims  
8 for reimbursement for loss of revenue due to exemptions of ad  
9 valorem taxes for new or expanded manufacturing or research and  
10 development facilities shall be paid first, and any remaining funds  
11 shall be distributed proportionally among the counties making claims  
12 for reimbursement for loss of revenue for school district and county  
13 purposes due to exemptions granted pursuant to the provisions of  
14 Section 2890 of Title 68 of the Oklahoma Statutes, according to the  
15 amount of the claim made by each county. If any funds remain after  
16 paying all claims for reimbursement for loss of revenue due to  
17 exemptions of ad valorem taxation for new or expanded manufacturing  
18 or research and development facilities and for reimbursement for  
19 loss of revenue for school district and county purposes due to  
20 exemptions granted pursuant to the provisions of Section 2890 of  
21 Title 68 of the Oklahoma Statutes, the remaining funds shall be  
22 distributed proportionally among the counties making claims for  
23 reimbursement for loss of revenue for decreased valuation and  
24

1 assessment for buffer strips pursuant to Section 2817.2 of Title 68  
2 of the Oklahoma Statutes.

3 SECTION 2. AMENDATORY 68 O.S. 2011, Section 2923, is  
4 amended to read as follows:

5 Section 2923. ~~At~~ Except as otherwise provided in this section,  
6 at the end of each calendar month the county treasurer shall  
7 apportion all collections for ~~said~~ the month, and distribute the  
8 same among the different funds to which they belong. Any funds  
9 which are apportioned to a school district for the purpose of debt  
10 service payments shall be disbursed immediately.

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

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