

An Act

ENROLLED SENATE
BILL NO. 954

By: Justice of the Senate

and

Jackson of the House

An Act relating to ad valorem taxes; amending 68 O.S. 2011, Sections 2816 and 2947, which relate to appraisal of property; deleting obsolete language; modifying accreditation requirements for assessors; modifying funding source and agency responsible for specified expenses; modifying entity responsible for providing certain hardware and software services and funding thereof; providing for application of provision for specified time period; requiring Oklahoma State University Center for Local Government Technology to provide certain services related to the computer-assisted mass appraisal program and providing for funding; transferring certain powers, duties and property; eliminating certain revolving fund after certain date and providing for transfer of funds; amending 68 O.S. 2011, Sections 3201 and 3204, which relate to documentary stamp tax; conforming language; modifying apportionment of revenue from tax on certain deeds or instruments; creating County Government Modernization Revolving Fund and specifying purpose, contents and oversight thereof; providing for distribution of specified amounts in revolving fund; providing for acquisition of specified software; requiring State Auditor and Inspector to provide certain notice relating to balance; providing for transfer of certain amounts from County Government Modernization Revolving Fund to the General Revenue Fund; and providing an effective date.

SUBJECT: Ad valorem taxation

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

SECTION 1. AMENDATORY 68 O.S. 2011, Section 2816, is amended to read as follows:

Section 2816. A. The Director of the Ad Valorem Division of the Oklahoma Tax Commission, the first deputy within such division, all field analysts or equalization and assessment analysts within such division, each elected county assessor assuming office on or after January 1, 1991, all first deputies within such assessors' offices and all personnel involved in the actual appraisal of real property shall be required to achieve educational accreditation as prescribed by this section. Such accreditation shall be achieved within the time prescribed. Failure to achieve such accreditation shall result in forfeiture of office or termination of employment. A vacancy in a public office created for failure to achieve such accreditation shall be filled in the manner provided by law.

B. Accreditation for persons designated in subsection A of this section shall consist of initial accreditation and advanced accreditation as follows:

1. Within one (1) year from the date an assessor is elected to office, the assessor shall be required to successfully complete initial accreditation. If the assessor does not successfully complete testing or some part of the requirement, initial accreditation shall be completed within eighteen (18) months from the date of the assessor's election to office. Initial accreditation shall consist of successful completion of two ~~(2)~~ academic units. The first academic unit shall consist of basic ad valorem taxation law, legal responsibilities of the assessor's office, the role of the county assessor, valuation requirements and assessment administration. The second academic unit shall consist of basic appraisal and assessment processes.

2. Within one (1) year from the completion date of initial accreditation, the assessor shall be required to successfully complete advanced accreditation. If the assessor does not successfully complete advanced accreditation testing or some part of the requirement, advanced accreditation shall be completed ~~by July~~

~~1, 1995, for persons holding office on May 27, 1993, or for persons assuming office after May 27, 1993,~~ within eighteen (18) months from the date initial accreditation is completed. Advanced accreditation shall consist of successful completion of ~~four (4)~~ five academic units. Each unit shall consist of one of the following topics:

- a. appraisal procedures,
- b. valuation of personal property,
- c. valuation of agricultural property, and
- d. mass appraisal procedures.

3. A county assessor's deputy not previously accredited pursuant to paragraphs 1 and 2 of this subsection shall be subject to the same requirements as the county assessor. Failure to complete the accreditations within the times prescribed shall result in dismissal of the deputy.

4. For any person required to achieve accreditation pursuant to this section and for whom the period of time to complete the accreditation is not otherwise prescribed, the accreditation shall be completed within eighteen (18) months of January 1, 1991, or within eighteen (18) months of the beginning date of employment if such person is initially employed after January 1, 1991.

C. Each county assessor who has successfully completed advanced accreditation shall thereafter be required to complete a continuing education requirement of thirty (30) hours every three (3) years. Failure to complete the continuing education requirement shall result in forfeiture of any travel reimbursement until the requirement is completed. Continuing education shall consist of successful completion of academic units on changes in Oklahoma Statutes affecting ad valorem taxation, real estate or appraisal, valuation and appraisal methods, mass appraisal methods or other topics appropriate to the improvement of county assessor's offices. A deputy who has completed advanced accreditation as required by this section shall be subject to the continuing education requirement.

D. The Oklahoma State University Center for Local Government Technology, in cooperation with the Oklahoma Tax Commission and the County Assessors' Association, shall develop educational requirements, curriculum materials, appropriate study resources and examinations for an education program for accreditation purposes established in this section. The Oklahoma State University Center for Local Government Technology shall provide necessary classes, seminars and materials in support of the accreditation requirements. Nothing in this section shall be construed to prohibit use of the International Association of Assessing Officers' course work, where applicable, or any of its professional designations, as a substitute for or supplement to the accreditation program requirements.

E. For purposes of the administration of the accreditation requirements, the Oklahoma State University Center for Local Government Technology shall be responsible for keeping an official record as to the accreditation of individual county assessors and deputies and others who are required to achieve accreditation. Such record shall be the sole responsibility of Oklahoma State University and shall be defined as an open record under Section 24A.1 et seq. of Title 51 of the Oklahoma Statutes. The Oklahoma State University Center for Local Government Technology shall be responsible for forwarding only the pass/fail results of individual testing to the Tax Commission. The Tax Commission shall issue the accreditations to all persons who have so qualified. All expenses incurred in the performance of the duties imposed upon the Oklahoma State University Center for Local Government Technology shall be paid out of funds deposited in the County Government Modernization Revolving Fund, appropriated or otherwise made available to the ~~Tax Commission or the university~~ Office of the State Auditor and Inspector or the University may charge a reasonable fee to defray the cost of sponsoring the educational accreditation academic units required by this section.

F. The Oklahoma State University Center for Local Government Technology, in cooperation with the ~~Tax Commission~~ Office of the State Auditor and Inspector, the County Assessors' Association and the County Treasurers' Association shall provide computer software programs, support of software and hardware including installation, maintenance, data management and training, to counties ~~currently~~ using the services ~~previously~~ provided by the State Auditor and Inspector before July 1, 2009. All expenses incurred in the

performance of the duties imposed upon the Oklahoma State University Center for Local Government Technology shall be paid out of funds deposited in the County Government Modernization Revolving Fund, appropriated or otherwise made available to the Tax Commission Office of the State Auditor and Inspector, or the University may charge a reasonable fee to defray the cost of sponsoring the County Computer Assistance Program support services required by this section.

G. The Oklahoma State University Center for Local Government Technology, in cooperation with the County Assessors' Association, shall provide the administration, support, training, and implementation of the Oklahoma State University Center for Local Government Technology-sponsored computer-assisted mass appraisal computer software program, as provided in subparagraph d of paragraph 2 of subsection C of Section 3204 of this title, to any county using the services provided by the Ad Valorem Division of the Oklahoma Tax Commission on the effective date of this act, if such county elects to adopt the Oklahoma State University Center for Local Government Technology-sponsored program. All expenses incurred in the performance of the duties imposed upon the Oklahoma State University Center for Local Government Technology for the computer-assisted mass appraisal program shall be paid out of funds deposited in the County Government Modernization Revolving Fund, appropriated or otherwise made available to the Office of the State Auditor and Inspector.

H. All powers, duties, responsibilities, property, assets, liabilities, fund balances, encumbrances and obligations of the Ad Valorem Division of the Oklahoma Tax Commission relating to the computer-assisted mass appraisal system, including but not limited to program management, support and training, are hereby transferred to the Oklahoma State University Center for Local Government Technology.

SECTION 2. AMENDATORY 68 O.S. 2011, Section 2947, is amended to read as follows:

Section 2947. There ~~There~~ Until the effective date of this act, there is hereby created in the State Treasury a revolving fund for the Oklahoma Tax Commission, to be designated the "Computer-Assisted Mass Appraisal Implementation Revolving Fund". The fund shall be a

continuing fund, not subject to fiscal year limitations, and shall consist of appropriations made by the Legislature. Monies appropriated to the fund shall be expended by the Ad Valorem Division of the Oklahoma Tax Commission for the purpose of implementing the visual inspection program and the computer-assisted system of mass appraisal as required by law. On the effective date of this act, all monies remaining in the fund shall be transferred to the County Government Modernization Revolving Fund created in Section 3204 of this title.

SECTION 3. AMENDATORY 68 O.S. 2011, Section 3201, is amended to read as follows:

Section 3201. A. A tax is hereby imposed on each deed, instrument, or writing by which any lands, tenements, or other realty sold shall be granted, assigned, transferred, or otherwise conveyed to or vested in the purchaser or purchasers, or any other person or persons, by his or their direction, when the consideration or value of the interest or property conveyed, exclusive of the value of any lien or encumbrance remaining thereon at the time of sale, exceeds One Hundred Dollars (\$100.00). The tax shall be prorated at the rate of seventy-five cents (\$0.75) for each Five Hundred Dollars (\$500.00) of the consideration or any fractional part thereof.

B. The tax is limited to conveyances of realty sold and does not apply to other conveyances. The tax attaches at the time the deed or other instrument of conveyance is executed and delivered to the buyer, irrespective of the time when the sale is made.

C. As used in this section:

1. "Sold" means a transfer of an interest for a valuable consideration, which may involve money or anything of value; ~~and~~

2. "Deed" means any instrument or writing whereby realty is assigned, transferred, or otherwise conveyed to, or vested in, the purchaser or, at his direction, any other person; and

3. "Consideration" means the actual pecuniary value exchanged or paid or to be exchanged or paid in the future, exclusive of interest, whether in money or otherwise, for the transfer or

conveyance of an interest of realty, including any assumed indebtedness.

SECTION 4. AMENDATORY 68 O.S. 2011, Section 3204, is amended to read as follows:

Section 3204. A. The Oklahoma Tax Commission shall design such stamps in such denominations as in its judgment it deems necessary for the administration of this tax. The Oklahoma Tax Commission shall distribute the stamps to the county clerks of the counties of this state, and the county clerks shall have the responsibility of selling these stamps and shall have the further duty of accounting for the stamps to the Oklahoma Tax Commission on the last day of each month. Stamp-metering machines or rubber stamps as prescribed by the Oklahoma Tax Commission may be used by the county clerk, and the expenses thereof shall be paid by the county concerned. The use of meters or rubber stamps shall be governed by the Oklahoma Tax Commission.

B. The county clerks shall account for all collections from the sales of such tax stamps to the Oklahoma Tax Commission, on the last day of each month. The ~~first fifty-five cents (\$0.55) of each~~ seventy-five cents (\$0.75) collected shall be apportioned as follows:

1. The county clerks shall retain ~~five percent (5%)~~ thirty and thirty-three one-hundredths percent (30.33%) of all monies collected for such stamps ~~as their cost of administration~~ and shall pay the same into the county general fund~~;~~;

2. ~~The remaining ninety-five percent (95%)~~ Thirty-nine and sixty-seven one-hundredths percent (39.67%) of the collections shall be transferred by the Oklahoma Tax Commission to the General Revenue Fund of the State Treasury to be expended pursuant to legislative appropriation; and

3. Thirty percent (30%) of the collections shall be deposited into the County Government Modernization Revolving Fund created in subsection C of this section.

C. ~~The remaining twenty cents (\$0.20) of each seventy-five cents (\$0.75) collected shall be paid into the county general fund.~~

1. There is hereby created in the State Treasury a revolving fund for the State Auditor and Inspector to be designated the "County Government Modernization Revolving Fund" for the purposes of education, training, research, software and computer modernization. The fund shall be subject to the oversight of the Commission on County Government Personnel Education and Training, hereinafter called the "Commission", established in Section 130.1 of Title 19 of the Oklahoma Statutes, or, if the Commission is terminated pursuant to the Oklahoma Sunset Law, the fund shall be subject to the oversight of the State Board of Equalization. The fund shall be a continuing fund, but shall be subject to fiscal year limitations of Eight Million Dollars (\$8,000,000.00). If the balance of the fund exceeds Eight Million Dollars (\$8,000,000.00) on June 30 of any fiscal year, the State Auditor and Inspector shall notify the Director of the Office of Management and Enterprise Services of the amount above Eight Million Dollars (\$8,000,000.00) and the Director shall transfer the excess amount in the County Government Modernization Revolving Fund to the General Revenue Fund. The fund shall consist of a portion of tax stamp collections, pursuant to subsections A and B of this section. Amounts deposited in any fiscal year shall be distributed by the State Auditor and Inspector as provided in paragraph 2 of this subsection.

2. Amounts deposited in any fiscal year shall be distributed as follows:

- a. seven and forty-eight one-hundredths percent (7.48%) to the Oklahoma Cooperative Extension Service for duties imposed on the Extension Service and the Commission of County Government Personnel Education and Training pursuant to Sections 130.1 through 130.7 and Section 1500 of Title 19 of the Oklahoma Statutes and Section 3006 of this title,
- b. twelve and twenty-four one-hundredths percent (12.24%) to the Oklahoma Cooperative Extension Service and Oklahoma Agricultural Experiment Station for the purposes of public education, professional training and research in support of Oklahoma counties and the state,

- c. thirty-five and thirty-eight one-hundredths percent (35.38%) to the Oklahoma State University Center for Local Government Technology for duties imposed pursuant to Sections 2816 and 2862 of this title related to any training, support, professional development, or additional software necessary for county assessors, treasurers and boards of equalization, and

- d. forty-four and ninety one-hundredths percent (44.90%) available to the Oklahoma State University Center for Local Government Technology to acquire and administer a computer-assisted mass appraisal software system for county governments; provided, the Oklahoma State University Center for Local Government Technology may delay the acquisition of such software system until such time as sufficient funds are available. After the software acquisition is complete and associated costs are paid, any county which elects not to participate in Oklahoma State University Center for Local Government Technology's computer-assisted mass appraisal software system may receive a refund up to ten percent (10%) of such county's deposit to the revolving fund annually; provided, if available funds are insufficient for a ten-percent rebate, the percentage shall be adjusted so that rebates may be paid.

SECTION 5. This act shall become effective July 1, 2014.

Passed the Senate the 21st day of May, 2013.

Presiding Officer of the Senate

Passed the House of Representatives the 24th day of May, 2013.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____