

An Act

ENROLLED HOUSE
BILL NO. 2627

By: Lowe (Dick) and McDugle of
the House

and

Montgomery of the Senate

An Act relating to revenue and taxation; requiring county assessors to notify certain entities of protests; amending 68 O.S. 2021, Section 2876, as amended by Section 1 of Enrolled Senate Bill No. 1667 of the 2nd Session of the 58th Oklahoma Legislature, which relates to ad valorem protests; requiring taxpayer to file certain form; requiring county assessor to provide schedule to taxpayers filing protests; amending 68 O.S. 2021, Section 2826, which relates to appraisers; limiting appraiser involvement; providing for codification; and providing an effective date.

SUBJECT: Revenue and taxation

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2899.2 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. On or before the first day of June each year, the county assessor of each county shall prepare and mail to each school district and recipient tax jurisdiction a report listing protests filed by taxpayers pursuant to subsection F of Section 2876 of Title 68 of the Oklahoma Statutes which concern a fair cash value of personal property as determined by the county assessor that exceeds Three Million Dollars (\$3,000,000.00). The report shall be sent, in writing, to the treasurer or chief financial officer of each school

district and each recipient tax jurisdiction of ad valorem tax revenue. At the county assessor's discretion, in lieu of regular mail, the county assessor may instead send the report to a school district or recipient tax jurisdiction by electronic mail provided the treasurer or chief financial officer of the school district or recipient tax jurisdiction has submitted a written request to receive such reports by electronic mail instead of by regular mail.

B. The report required in subsection A of this section shall include the following information:

1. A list of the protests filed with the county assessor at the time of the report;
2. The value under protest for each of the protests filed with the county assessor at the time of the report; and
3. The estimated amount under protest that would otherwise be apportioned to the taxing jurisdiction.

SECTION 2. AMENDATORY 68 O.S. 2021, Section 2876, as amended by Section 1 of Enrolled Senate Bill No. 1667 of the 2nd Session of the 58th Oklahoma Legislature, is amended to read as follows:

Section 2876. A. If the county assessor increases the valuation of any personal property above that returned by the taxpayer, or in the case of real property increases the fair cash value or the taxable fair cash value from the preceding year, or pursuant to the requirements of law if the assessor has added property not listed by the taxpayer, the county assessor shall notify the taxpayer in writing of the amount of such valuation as increased or valuation of property so added. Provided, if the county assessor determines that a mailing to property owners exempt from payment of ad valorem tax pursuant to Sections 8E and 8F of Article X of the Oklahoma Constitution would create an undue burden, then the county assessor may suspend notifications to those property owners.

B. For cases in which the taxable fair cash value or fair cash value of real property has increased, the notice shall include the fair cash value of the property for the current year, the taxable fair cash value for the preceding and current year, the assessed value for the preceding and current year and the assessment percentage for the preceding and current year.

C. For cases in which the county assessor increases the valuation of any personal property above that returned by the taxpayer, the notice shall describe the property with sufficient accuracy to notify the taxpayer as to the property included, the fair cash value for the current year, the assessment percentage for the current year, any penalty for the current year pursuant to subsection C of Section 2836 of this title and the assessed value for the current year.

D. The notice shall be mailed to the taxpayer at the taxpayer's last-known address and shall clearly be marked with the mailing date. The assessor shall have the capability to duplicate the notice, showing the date of mailing. Such record shall be prima facie evidence as to the fact of notice having been given as required by this section.

E. The taxpayer shall have thirty (30) calendar days from the date the notice was mailed in which to file a written protest with the county assessor specifying objections to the increase in fair cash value or taxable fair cash value by the county assessor; provided, in the case of a scrivener's error or other admitted error on the part of the county assessor, the assessor may make corrections to a valuation at any time, notwithstanding the thirty-day period specified in this subsection. The protest shall set out the pertinent facts in relation to the matter contained in the notice in ordinary and concise language and in such manner as to enable a person of common understanding to know what is intended. The protest shall be made upon a form prescribed by the Oklahoma Tax Commission.

F. A taxpayer may file a protest if the valuation of property has not increased or decreased from the previous year if the protest is filed on or before the first Monday in April. Such protest shall be made upon a form prescribed by the Oklahoma Tax Commission.

G. At the time of filing a protest pursuant to subsections E and F of this section, the taxpayer shall also file the form provided for in Section 2835 of this title. If the taxpayer fails to file the required form, a presumption shall exist in favor of the correctness of the county assessor's valuation in any appeal of the county assessor's valuation.

H. The county assessor shall schedule an informal hearing with the taxpayer to hear the protest as to the disputed valuation or

addition of omitted property. The informal hearing may be held in person or may be held telephonically, if requested by the taxpayer. A taxpayer that is unable to participate in a scheduled informal hearing, either in person or telephonically, shall be given at least two additional opportunities to participate on one of two alternative dates provided by the county assessor, each on a different day of the week, before the county assessor or an authorized representative of the county assessor. The assessor shall issue a written decision in the matter disputed within seven (7) calendar days of the date of the informal hearing and shall provide by regular or electronic mail a copy of the decision to the taxpayer. The decision shall clearly be marked with the date it was mailed. Within fifteen (15) calendar days of the date the decision is mailed, the taxpayer may file an appeal with the county board of equalization. The appeal shall be made upon a form prescribed by the Oklahoma Tax Commission. One copy of the form shall be mailed or delivered to the county assessor and one copy shall be mailed or delivered to the county board of equalization. On receipt of the notice of an appeal to the county board of equalization by the taxpayer, the county assessor shall provide the county board of equalization with all information submitted by the taxpayer, data supporting the disputed valuation and a written explanation of the results of the informal hearing.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2876.1 of Title 68, unless there is created a duplication in numbering, reads as follows:

At the time a taxpayer files a protest pursuant to Section 2876 of Title 68 of the Oklahoma Statutes, the taxpayer shall be provided a schedule of the protest timeline which shall include all deadlines and the consequences of failing to meet each deadline. The Oklahoma Tax Commission may prescribe a standard schedule for the county assessors to distribute.

SECTION 4. AMENDATORY 68 O.S. 2021, Section 2826, is amended to read as follows:

Section 2826. A. 1. For residential property, the county assessor may appoint, or may request the Oklahoma Tax Commission to assign, an appraiser to assist the county assessor in valuation of the property.

2. For nonresidential property, after consultation with the Oklahoma Tax Commission, the county assessor may appoint an

appraiser to assist the county assessor in valuation of the property.

B. Appraisers whose services may be obtained by appointment by the assessor or who may be assigned by the Oklahoma Tax Commission, upon request of the county assessor, to assist any county assessor shall act in an advisory capacity only. Valuations ~~made~~ recommended by such appraisers shall not be binding upon the assessor. All valuations made pursuant to the Ad Valorem Tax Code shall be made and entered by the assessor pursuant to law.

C. Appraisers whose services were obtained to assist the county assessor for valuation shall not participate in any valuation negotiations, protests to the county assessor, or protests to the county board of equalization. Contracts for such appraiser services shall be subject to the Oklahoma Open Records Act.

D. County assessors may provide photocopies of taxpayer rendition forms and photocopies of any other documents filed by the taxpayer which are directly related to and necessary for appraisers to assist in this capacity. The original documents filed by the taxpayer must be maintained by the county assessors. Upon the expiration of the period for reassessment, provided in Section 2846 of this title, all copies of taxpayer documents and the related work papers of the appraisers must be destroyed or returned to the county assessors by February 1 of the following year. In addition, all photocopies of taxpayer documentation and appraiser work papers must be returned to the county assessor within ten (10) calendar days of the termination of the contract with the appraisers to provide the services described in this section.

E. Except for communications of information protected by Section 2835 of this title, all communications between a county assessor and an appraiser, including communications through a third party, shall be subject to the Oklahoma Open Records Act.

SECTION 5. This act shall become effective November 1, 2022.

Passed the House of Representatives the 19th day of May, 2022.

Presiding Officer of the House
of Representatives

Passed the Senate the 19th day of May, 2022.

Presiding Officer of the Senate

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: _____