

**BILL SUMMARY**  
1<sup>st</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB2339</b>
<b>Version:</b>	<b>CS</b>
<b>Request Number:</b>	<b>7869</b>
<b>Author:</b>	<b>Archer</b>
<b>Date:</b>	<b>3/6/2023</b>
<b>Impact:</b>	<b>OTC Analysis:</b> <b>Revenue Decrease of \$511,038/year</b>

**Research Analysis**

The committee substitute for HB2339 expands a property tax exemption for any single family residential property used exclusively for religious or fraternal purposes. Current law exempts such property up to a fair cash value of \$250,000. The measure doubles the fair cash value cap to \$500,000.

Prepared By: Quyen Do

**Fiscal Analysis**

In its current form, HB2339 proposes to expand the ad valorem tax exemption on single family residential property, that is used exclusively for fraternal or religious purposes, by increasing the maximum eligible value of such property from \$250,000 to \$500,000. The Oklahoma Tax Commission estimates a revenue decrease of \$511,038 per year.

Provided by the Oklahoma Tax Commission:

Currently, a single family residential property used for religious or fraternal purposes may qualify for a full exemption from ad valorem taxation up to a fair cash value of \$250,000 on the property. The PCS for HB 2339 proposes to provide this exemption up to a fair cash value of \$500,000 on the property, thus decreasing local ad valorem tax revenues.

Data provided by 44 counties<sup>1</sup> show there are 174 parsonages with values in excess of \$250,000. By applying the average assessment rate and then mill levy<sup>2</sup>, we estimate the changes proposed in this bill would result in a loss of \$511,038 per year to local ad valorem revenues.

Prepared By: House Fiscal Staff

**Other Considerations**

None.