

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	HB2339
Version:	SAHB
Request Number:	
Author:	Archer
Date:	5/10/2023
Impact:	OTC Analysis: Revenue Decrease of \$511,038/year

Research Analysis

The senate amendments to HB2339 restores the title. As amended, the measure 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.

The Senate amendment restores the title and enacting clause, and does not change the expected impact of the bill.

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 counties¹ show there are 174 parsonages with values in excess of \$250,000. By applying the average assessment rate and then mill levy², 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.

