

Fiscal Impact
2nd Session of the 57th Legislature

Bill No.:
Version:
Author:
Date:

SB 1706
INT
Sen. Murdock
02/17/2020

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT
SECOND REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: February 14, 2020

BILL NUMBER: SB 1706 **STATUS AND DATE OF BILL:** Introduced 1/16/2020

AUTHORS: House N/A Senate Murdock

TAX TYPE (S): Ad Valorem **SUBJECT:** Administrative

PROPOSAL: Amendatory

SB 1706 proposes to amend 68 O.S. §§ 2802 & 2875 altering definitions under the Oklahoma Ad Valorem Tax Code and detailing requirements for the schedules that must be provided by the Ad Valorem Division of the Oklahoma Tax Commission to the county assessors to aid in assessment of personal property.

EFFECTIVE DATE: November 1, 2020

REVENUE IMPACT:

FY 21: -0-
FY 22: -0-

<u>Feb. 14, 2020</u> DATE	<u>Reck Miller</u> DIVISION DIRECTOR	<u>KLS</u>
<u>2/15/2020</u> DATE	<u>Huan Gong</u> HUAN GONG, ECONOMIST	
<u>2/15/2020</u> DATE	<u>[Signature]</u> FOR THE COMMISSION	

The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.

ATTACHMENT TO REVENUE IMPACT SB 1706 [Introduced] Prepared February 14, 2020

SB 1706 proposes to amend 68 O.S. §§ 2802 & 2875 altering definitions under the Oklahoma Ad Valorem Tax Code and detailing requirements for the schedules that must be provided by the Ad Valorem Division of the Oklahoma Tax Commission to the county assessors to aid in assessment of personal property.

Section 1 of SB 1706 proposes to amend 68 O.S. § 2802 altering the definition of cost approach and adding the definitions of economic or external obsolescence, functional or internal obsolescence, and physical deterioration.

Section 2 of SB 1706 proposes to amend 68 O.S. § 2875 specifying requirements for the schedule provided by the Ad Valorem Division of the Oklahoma Tax Commission to the county assessors to aid in the assessment of personal property. Currently, the Ad Valorem Division is required to provide from year to year a schedule of values of personal property to aid county assessors in the assessment of personal property. SB 1706 proposes to specify that the schedules provided by the Ad Valorem Division must contain estimated replacement or reproduction costs, depreciation tables and instructions for the valuation of personal property in accordance with Uniform Standards of Professional Appraisal Practice (“USPAP”) and International Association of Assessing Officers (“IAAO”) requirements.

There is no revenue impact to the State associated with SB 1706.