

FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB3901 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: John Pfeiffer

Reading Clerk

1 STATE OF OKLAHOMA

2 2nd Session of the 58th Legislature (2022)

3 FLOOR SUBSTITUTE
4 FOR

5 HOUSE BILL NO. 3901

By: Pfeiffer of the House

and

Montgomery of the Senate

6
7
8
9 FLOOR SUBSTITUTE

10 An Act relating to revenue and taxation; amending 68
11 O.S. 2021, Section 3024, which relates to the Court
12 of Tax Review; expanding jurisdiction of court in
13 certain cases; amending 68 O.S. 2021, Sections
14 2880.1, 2877 and 2945, which relate to ad valorem tax
15 protests; adding Court of Tax Review; and providing
16 an effective date.

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

18 SECTION 1. AMENDATORY 68 O.S. 2021, Section 3024, is
19 amended to read as follows:

20 Section 3024. A. There is hereby re-created a Court of Tax
21 Review. For each case brought before the Court of Tax Review, the
22 Chief Justice of the Oklahoma Supreme Court shall assign the case to
23 a judicial administrative district in which no property that is the
24 subject of the case is located. The presiding judge of the judicial
administrative district to which the case is assigned shall appoint
a panel of three judges of the district court, who shall determine

1 in what county the case will be heard. A majority of the three-
2 judge panel shall be required to render a decision in each case.
3 The Oklahoma Supreme Court shall establish court rules for the Court
4 of Tax Review and the Clerk of the Oklahoma Supreme Court shall
5 serve as Clerk of the Court of Tax Review.

6 B. The Court of Tax Review is hereby vested with jurisdiction
7 over and shall hear:

8 1. Complaints challenging an order of the county board of
9 equalization sustaining a valuation of real or personal property
10 with an assessed fair cash value in excess of Three Million Dollars
11 (\$3,000,000.00) as authorized by Section 2880.1 of this title, for
12 which a scheduling conference shall be required within twenty (20)
13 days of the answer filed by the county assessor;

14 2. Complaints regarding valuation of public service corporation
15 property by the State Board of Equalization as authorized by Section
16 2881 of this title, for which a scheduling conference shall be
17 required within twenty (20) days of the answer filed by the State
18 Board of Equalization;

19 ~~2.~~ 3. Complaints regarding actions of the State Board of
20 Equalization regarding either intracounty or intercounty property
21 value equalization as authorized by Section 2882 of this title; and

22 ~~3.~~ 4. Appeals as authorized by Section 2830 of this title
23 concerning Category 2 or Category 3 noncompliance as determined by
24 the Oklahoma Tax Commission. The Court of Tax Review shall

1 determine if a county deemed to be in Category 3 noncompliance is
2 required to reimburse the Oklahoma Tax Commission from the county
3 assessor's budget for all costs incurred as a result of the
4 assumption of the valuation function by the Commission.

5 C. The Court of Tax Review shall prescribe procedures for the
6 purpose of hearing properly filed protests against alleged illegal
7 levies, as shown on the annual budgets filed with the State Auditor
8 and Inspector. The Court shall reconvene as often as deemed
9 necessary by the Court until final determination has been made as to
10 all protested levies. The judges shall be paid their traveling and
11 living expenses while acting as members of the Court, out of the
12 funds now provided by law for payment of district judges' expenses
13 when holding court outside the counties of their residence.
14 Decisions of the Court of Tax Review concerning alleged illegal
15 levies shall be subject to the provisions of Sections 3025, 3026,
16 3027, 3028 and 3029 of this title.

17 D. The Court of Tax Review as it existed prior to July 1, 1997,
18 shall cease to exist and all duties and responsibilities of such
19 court, except as provided in this section, shall be transferred to
20 the Court of Tax Review as re-created in this section.

21 E. All cases which have not been submitted for determination in
22 the Court of Tax Review as it existed prior to July 1, 1997, shall
23 be transferred to the Court of Tax Review as it exists after July 1,
24 1997, for disposition. All cases which have been submitted by the

1 parties for determination in the Court of Tax Review prior to July
2 1, 1997, shall remain with the panel to which they have been
3 assigned for final determination.

4 SECTION 2. AMENDATORY 68 O.S. 2021, Section 2880.1, is
5 amended to read as follows:

6 Section 2880.1 A. Both the taxpayer and the county assessor
7 shall have the right of appeal from any order of the county board of
8 equalization sustaining a valuation of real or personal property at
9 an assessed fair cash value in excess of Three Million Dollars
10 (\$3,000,000.00) to the ~~district court of the same county~~ Court of
11 Tax Review, and right of appeal of either may be either upon
12 questions of law or fact including value, or upon both questions of
13 law and fact. Appeals from any other order of the county board of
14 equalization shall be filed in the district court of the same
15 county. The county assessor is the proper party defendant in any
16 appeal to the district court or Court of Tax Review brought by the
17 taxpayer. The taxpayer is the proper party defendant in any appeal
18 to the district court or Court of Tax Review brought by the county
19 assessor. In either case, the county board of equalization shall
20 not be considered a party in any litigation from an appeal brought
21 pursuant to this section. In case of appeal the trial in the
22 district court or Court of Tax Review shall be de novo. Provided,
23 the county assessor shall not be permitted to appeal an order of the
24 county board of equalization upon a question of the

1 constitutional of a law upon which the board based its order, but
2 the county assessor is hereby authorized in such instance to request
3 a declaratory judgment to be rendered by the district court or Court
4 of Tax Review in cases involving real or personal property with an
5 assessed fair cash value in excess of Three Million Dollars
6 (\$3,000,000.00).

7 B. Notice of appeal shall be filed with the county clerk as
8 secretary of the county board of equalization, which appeal shall be
9 filed in the district court or Court of Tax Review, as the case may
10 be, within thirty (30) calendar days of the date the board of
11 equalization order was mailed, or in the event that the order was
12 delivered, from the date of delivery. It shall be the duty of the
13 county clerk to preserve all complaints and to make a record of all
14 orders of the board and both the complaint and orders shall be a
15 part of the record in any case appealed to the district court or
16 Court of Tax Review from the county board of equalization.

17 C. Either the taxpayer or the county assessor may appeal from
18 the district court or Court of Tax Review to the Supreme Court, as
19 provided for in the Code of Civil Procedure, but no matter shall be
20 reviewed on such appeal which was not presented to the district
21 court or Court of Tax Review.

22 D. In such appeals to the district court or Court of Tax Review
23 and to the Supreme Court and in requests for declaratory judgment it
24 shall be the duty of the district attorney to appear for and

1 represent the county assessor. The General Counsel or an attorney
2 for the Tax Commission may appear in such appeals or requests for
3 declaratory judgment on behalf of the county assessor, either upon
4 request of the district attorney for assistance, or upon request of
5 the county assessor. It shall be the mandatory duty of the board of
6 county commissioners and the county excise board to provide the
7 necessary funds to enable the county assessor to pay the costs
8 necessary to be incurred in perfecting appeals and requests for
9 declaratory judgment made by the county assessor to the courts.

10 E. In all appeals taken by the county assessor the presumption
11 shall exist in favor of the correctness of the county assessor's
12 valuation and the procedure followed by the county assessor.

13 SECTION 3. AMENDATORY 68 O.S. 2021, Section 2877, is
14 amended to read as follows:

15 Section 2877. A. Upon receipt of an appeal from action by the
16 county assessor on the form prescribed by the Oklahoma Tax
17 Commission, the secretary of the county board of equalization shall
18 fix a date of hearing, at which time said board shall be authorized
19 and empowered to take evidence pertinent to said appeal; and for
20 that purpose, is authorized to compel the attendance of witnesses
21 and the production of books, records, and papers by subpoena, and to
22 confirm, correct, or adjust the valuation of real or personal
23 property or to cancel an assessment of personal property added by
24 the assessor not listed by the taxpayer if the personal property is

1 not subject to taxation or if the taxpayer is not responsible for
2 payment of ad valorem taxes upon such property. The secretary of
3 the board shall fix the dates of the hearings provided for in this
4 section in such a manner as to ensure that the board is able to hear
5 all complaints within the time provided for by law. In any county
6 with a population less than three hundred thousand (300,000)
7 according to the latest Federal Decennial Census, the county board
8 of equalization shall provide at least three dates on which a
9 taxpayer may personally appear and make a presentation of evidence.
10 At least ten (10) days shall intervene between each such date. No
11 final determination regarding valuation protests shall be made by a
12 county board of equalization until the taxpayer shall have failed to
13 appear for all three such dates. The county board of equalization
14 shall be required to follow the procedures prescribed by the Ad
15 Valorem Tax Code or administrative rules and regulations promulgated
16 pursuant to such Code governing the valuation of real and personal
17 property. The county board of equalization shall not modify a
18 valuation of real or personal property as established by the county
19 assessor unless such modification is explained in writing upon a
20 form prescribed by the Oklahoma Tax Commission. The affidavits
21 prescribed in paragraph 2 of subsection E of this section will be
22 maintained by the county board of equalization as part of the
23 hearing record. Each decision of the county board of equalization
24 shall be explained in writing upon a form prescribed by the Oklahoma

1 Tax Commission. The county board of equalization shall make a
2 record of each proceeding involving an appeal from action by the
3 county assessor either in transcribed or tape recorded form.

4 B. In all cases where the county assessor has, without giving
5 the notice required by law, increased the valuation of property as
6 listed by the taxpayer, and the taxpayer has knowledge of such
7 adjustment or addition, the taxpayer may at any time prior to the
8 adjournment of the board, file an appeal in the form and manner
9 provided for in Section 2876 of this title. Thereafter, the board
10 shall fix a date of hearing, notify the taxpayer, and conduct the
11 hearing as required by this section.

12 C. The taxpayer or agent may appear at the scheduled hearing
13 either in person, by telephone or other electronic means, or by
14 affidavit.

15 D. If the taxpayer or agent fails to appear before the county
16 board of equalization at the scheduled hearing, unless advance
17 notification is given for the reason of absence, the county shall be
18 authorized to assess against the taxpayer the costs incurred by the
19 county in preparation for the scheduled hearing. If such costs are
20 assessed, payment of the costs shall be a prerequisite to the filing
21 of an appeal to the district court or Court of Tax Review. A
22 taxpayer that gives advance notification of their absence shall be
23 given the opportunity to reschedule the hearing date.

24

1 E. 1. In order to increase taxpayer transparency, a member of
2 the board of equalization shall not directly or indirectly
3 communicate with the county assessor or any deputy assessor or
4 designated agent on any matter relating to any pending appeal before
5 the board of equalization prior to the actual hearing.

6 2. Prior to the presentation of any evidence at a county board
7 of equalization hearing, each member of the board hearing the
8 protest must sign an affidavit stating the member is not in
9 violation of paragraph 1 of this subsection.

10 3. Prior to the presentation of any evidence at a county board
11 of equalization hearing, all parties to the proceeding must sign an
12 affidavit stating that the evidence being presented is true to the
13 best of their belief and knowledge.

14 4. The provisions of paragraph 1 of this subsection shall not
15 apply to a routine communication between the county assessor and the
16 board of equalization that relates to the administration of an
17 appraisal roll, including a communication made in connection with
18 the certification, correction, or collection of an account that is
19 not the subject of a pending appeal.

20 5. The affidavit required in paragraph 2 of this subsection
21 shall be in the following form: "My name is [insert name]. I have
22 not communicated with another person in violation of subsection E of
23 Section 2877 of Title 68 of the Oklahoma Statutes."
24

1 6. The affidavit required in paragraph 3 of this subsection
2 shall be in the following form: "My name is [insert name]. The
3 information I will present today is true and correct to the best of
4 my belief and knowledge."

5 SECTION 4. AMENDATORY 68 O.S. 2021, Section 2945, is
6 amended to read as follows:

7 Section 2945. A. If any person shall knowingly and willfully
8 make or give under oath or affirmation a false and fraudulent list
9 of taxable personal property, or a false and fraudulent list of any
10 taxable personal property under the control of the person or
11 required to be listed by the person, or shall knowingly and
12 willfully make false answer to any question which may be put under
13 oath by any person, board or commission authorized to examine
14 persons under oath in relation to the value or amount of any taxable
15 personal property, the person shall be deemed guilty of the felony
16 of perjury, and upon conviction shall be punished as is provided by
17 law for the punishment of the felony of perjury.

18 B. If any taxpayer, or any official, employee, or agent of the
19 taxpayer, shall fail or refuse, upon proper request, to permit the
20 inspection of any property or the examination of any books, records
21 and papers by any person authorized by the Ad Valorem Tax Code to do
22 so, or shall fail or refuse to comply with any subpoena duces tecum
23 legally issued under authority of this Code, the taxpayer shall be
24 stopped from questioning or contesting the amount or validity of any

1 assessment placed upon the property of the taxpayer to the board of
2 equalization. Nothing in this section shall impair or impede the
3 right of the taxpayer to appeal any order of the board of
4 equalization to the district court or Court of Tax Review as
5 provided for in Section 2880.1 of this title.

6 SECTION 5. This act shall become effective January 1, 2023.

7
8 58-2-11142 AQH 03/18/22
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24