

1 **SENATE FLOOR VERSION**

2 March 23, 2021

3 COMMITTEE SUBSTITUTE
4 FOR ENGROSSED
5 HOUSE BILL NO. 1062

By: Boles, Davis, Lowe (Dick)
and Bell of the House

6 and

7 Garvin of the Senate

8
9 An Act relating to revenue and taxation; amending 68
10 O.S. 2011, Section 2888, as last amended by Section
11 6, Chapter 329, O.S.L. 2014 (68 O.S. Supp. 2020,
12 Section 2888), which relates to homestead exemption
13 for purposes of ad valorem taxation; providing for
14 treatment of certain improvements located on real
15 property with title held by certain government
16 entity; providing for homestead exemption as
17 authorized by Sections 8E and 8F of Article X of the
18 Oklahoma Constitution; prohibiting denial of
19 homestead exemption on certain basis; and providing
20 an effective date.

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

22 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2888, as
23 last amended by Section 6, Chapter 329, O.S.L. 2014 (68 O.S. Supp.
24 2020, Section 2888), is amended to read as follows:

Section 2888. A. 1. The term "homestead", as used in the
provisions of the Ad Valorem Tax Code governing homestead
exemptions, shall mean and include the actual residence of a natural
person who is a citizen of ~~the State of Oklahoma~~ this state,

1 provided the record actual ownership of such residence be vested in
2 such natural person residing and domiciled thereon. Any single
3 person of legal age, married couple and their minor child or
4 children, or the minor child or children of a deceased person,
5 whether residing together or separated, or surviving spouse shall be
6 allowed under Section 2801 et seq. of this title only one homestead
7 exemption in this state. No person or the family of such person
8 shall be required to be domiciled thereon if such person is in the
9 armed service of the United States in time of war or during a state
10 of national emergency as declared by the Congress or the President
11 of the United States, and such person shall not be required to be
12 domiciled thereon in order to assert or claim the exemption provided
13 in Section 2889 of this title, and such exemption may be claimed by
14 any agent of, or member of the family of, such person. The
15 surviving spouse and/or minor children of a deceased person shall be
16 considered record owners of the homestead where the title of record
17 in the office of the county clerk on January 1 is in the name of the
18 deceased, but in all other cases the deed or other evidence of
19 ownership must be of record in the office of the county clerk on
20 January 1 in order for any person to be qualified as the record
21 owner. However, a natural person actually owning, residing and
22 domiciled in the residence on January 1 shall be deemed to be the
23 record owner of the residence on January 1, within the meaning of
24 this section, if the deed or other evidence of ownership of such

1 person, executed on or before January 1, be of record in the office
2 of the county clerk on or before February 1 immediately following.
3 Despite any provision to the contrary in this section, if a parent
4 or parents residing and domiciled in the residence own the residence
5 jointly with one or more of their children, whether residing
6 together or separated, and where the record joint ownership of the
7 property is recorded in the office of the county clerk in accordance
8 with the provisions of this section, the parent or parents residing
9 and domiciled in the residence shall be entitled to the entire
10 homestead exemption. A rural homestead shall not include more than
11 one hundred sixty (160) acres of land and the improvements thereon.
12 An urban homestead shall not include any land except the lot or
13 lots, or the unplatted tract, upon which are located the dwelling,
14 garage, barn and/or other outbuildings necessary or convenient for
15 family use.

16 2. Despite any provision to the contrary in this section, the
17 person actually owning, residing and domiciled in the residence as of
18 the date of a tornado shall be deemed to be the record owner of the
19 residence on such date, within the meaning of this section, if the
20 deed or other evidence of ownership of such person, executed on or
21 before such date, be of record in the office of the county clerk on
22 or before such date. However, the provisions of this paragraph shall
23 only apply to any person who is eligible to claim the income tax
24 credit pursuant to Section 2357.29A of this title with respect to a

1 tornado or to any person whose primary residence was damaged or
2 destroyed in a tornado and who purchased or built a new primary
3 residence at a location within this state other than the location of
4 the damaged or destroyed residence. For the purposes of this
5 section, "tornado" means a tornado which occurred in calendar year
6 2013 or any subsequent tornado for which a Presidential Major
7 Disaster Declaration was issued.

8 B. The term "rural homestead" as used herein shall mean and
9 include any homestead located outside a city or town or outside any
10 platted subdivision or addition.

11 C. The term "urban homestead" as used herein shall mean and
12 include any homestead located within any city or town whether
13 incorporated or unincorporated, or located within a platted
14 subdivision or addition, whether such subdivision or addition be a
15 part of a city or town. In no case shall an urban homestead exceed
16 in area one (1) acre.

17 D. For purposes of the provisions of Section 8E and Section 8F
18 of Article X of the Oklahoma Constitution, if a disabled veteran,
19 the surviving spouse of a disabled veteran or the surviving spouse
20 of a person who died while in the line of duty occupies improvements
21 which are affixed to the real property and record title to such real
22 property is held by a city or town or an entity formed pursuant to
23 the charter provisions or ordinances of a city or town or formed
24 under other provisions of law for the benefit of such city or town,

1 the improvements shall be considered to be the homestead of such
2 disabled veteran or the surviving spouse of such disabled veteran
3 for all purposes related to the homestead exemption authorized by
4 the provisions of the Ad Valorem Tax Code and the homestead
5 exemption shall not be denied on the basis that title to such
6 affixed improvements is held by a disabled veteran or surviving
7 spouse or an entity formed by them than the city or town which holds
8 title to the real property consisting of the land to which such
9 improvements are affixed.

10 SECTION 2. This act shall become effective January 1, 2022.

11 COMMITTEE REPORT BY: COMMITTEE ON FINANCE
12 March 23, 2021 - DO PASS AS AMENDED
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