

1 STATE OF OKLAHOMA

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

3 SENATE JOINT  
4 RESOLUTION 39

By: Montgomery

5  
6 AS INTRODUCED

7 A Joint Resolution directing the Secretary of State  
8 to refer to the people for their approval or  
9 rejection a proposed amendment to Section 5 of  
10 Article X of the Oklahoma Constitution and a proposed  
11 amendment to the Oklahoma Constitution by adding a  
12 new Section 5A to Article X; providing exception to  
13 power of taxation; authorizing county to create  
14 alternative tax jurisdiction upon passage of  
15 referendum; requiring approval of certain proportion  
16 of voters; authorizing jurisdiction to levy ad  
17 valorem taxes to fund common schools; prohibiting  
18 state funding of common schools; exempting persons  
19 residing within jurisdiction from state income tax;  
20 providing effective date for jurisdiction; limiting  
21 period for jurisdiction; providing for extension of  
22 period of jurisdiction upon passage of referendum;  
23 authorizing jurisdiction to enter certain agreement  
24 with the state for collection and remittance of  
certain taxes; requiring the Legislature to enact  
legislation; providing ballot title; and directing  
filing.

20 BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE  
21 2ND SESSION OF THE 58TH OKLAHOMA LEGISLATURE:

22 SECTION 1. The Secretary of State shall refer to the people for  
23 their approval or rejection, as and in the manner provided by law,  
24

1 the following proposed amendment to Section 5 of Article X of the  
2 Oklahoma Constitution to read as follows:

3 Section 5. A. Except as otherwise provided by this section and  
4 Section 5A of this article, the power of taxation shall never be  
5 surrendered, suspended, or contracted away.

6 B. Taxes shall be uniform upon the same class of subjects.

7 C. The Legislature is hereby authorized to enact laws providing  
8 for the abatement of tax assessments, or portions thereof, if:

9 1. Collection of the tax liability and interest and penalties  
10 accruing thereto would reasonably result in the taxpayer declaring  
11 bankruptcy;

12 2. The tax is uncollectible due to insolvency of the taxpayer  
13 resulting from factors beyond control of the taxpayer or for other  
14 similar cause beyond the control of the taxpayer;

15 3. The tax liability is attributable to actions of a person  
16 other than the taxpayer and it would be inequitable to hold the  
17 taxpayer liable for the tax liability; or

18 4. In cases of nonpayment of trust fund taxes, the taxes were  
19 not collected by the taxpayer from its customer and the taxpayer had  
20 a good faith belief that collection of the taxes was not required.

21 SECTION 2. The Secretary of State shall refer to the people for  
22 their approval or rejection, as and in the manner provided by law,  
23 the following proposed amendment to the Oklahoma Constitution by  
24 adding a new Section 5A to Article X thereof, to read as follows:

1 Section 5A. A. A county in this state may, upon a referendum  
2 with approval of sixty percent (60%) of voters in the county, create  
3 an alternative tax jurisdiction.

4 B. The alternative tax jurisdiction may levy ad valorem taxes,  
5 in amounts exempt from the limitations otherwise provided by this  
6 article, to provide sufficient funds for common schools.

7 Alternative tax jurisdictions shall not receive state funding for  
8 common schools.

9 C. Persons residing within the alternative tax jurisdiction for  
10 the entirety of a tax year shall be exempt from any income taxes  
11 imposed by this state.

12 D. Alternative tax jurisdictions shall be in effect at the  
13 beginning of the subsequent state fiscal year following approval of  
14 the referendum and shall remain in effect for no more than twenty  
15 (20) years but may be extended upon a referendum as provided in  
16 subsection A of this section.

17 E. Alternative tax jurisdictions may enter into agreements with  
18 the state for the collection and remittance of ad valorem taxes.

19 F. The Legislature of the State of Oklahoma is hereby required  
20 to enact necessary legislation to enforce the provisions of this  
21 section in the immediate legislative session following the enactment  
22 of this section.

1 SECTION 3. The Ballot Title for the proposed Constitutional  
2 amendment as set forth in SECTION 1 and SECTION 2 of this resolution  
3 shall be in the following form:

4 BALLOT TITLE

5 Legislative Referendum No. \_\_\_\_\_ State Question No. \_\_\_\_\_

6 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

7 This measure amends Section 5 of Article 10 of the Oklahoma  
8 Constitution by adding a new Section 5A. It provides an  
9 exception to the power of taxation and authorizes a county in  
10 this state to create an alternative tax jurisdiction. The  
11 creation of an alternative tax jurisdiction shall be approved by  
12 at least sixty percent (60%) of voters in a county referendum.  
13 Jurisdictions may levy ad valorem taxes for the funding of  
14 common schools in amounts that are exempt from the limitations  
15 of the Oklahoma Constitution and shall not receive state funding  
16 for common schools. Persons residing within the jurisdiction  
17 shall be exempt from state income tax. Jurisdictions shall be  
18 in effect for up to twenty (20) years and may be extended by a  
19 county referendum.

20 SHALL THE PROPOSAL BE APPROVED?

21 FOR THE PROPOSAL - YES \_\_\_\_\_

22 AGAINST THE PROPOSAL - NO \_\_\_\_\_

23 SECTION 4. The President Pro Tempore of the Senate shall,  
24 immediately after the passage of this resolution, prepare and file

1 one copy thereof, including the Ballot Title set forth in SECTION 3  
2 hereof, with the Secretary of State and one copy with the Attorney  
3 General.

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