

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 1825

6 By: Conley

7 COMMITTEE SUBSTITUTE

8 An Act relating to revenue and taxation; amending 68
9 O.S. 2021, Section 2940, which relates to property
10 acquired for certain public purposes; requiring
11 county treasurer to provide certain information
12 related to ad valorem tax liability upon request of
13 seller or agent of seller; providing for
14 applicability of requirements based on designated
15 date; and prescribing time limit for response by
16 county treasurer.

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

18 SECTION 1. AMENDATORY 68 O.S. 2021, Section 2940, is
19 amended to read as follows:

20 Section 2940. A. Whenever the United States, the state, or a
21 city, town, county, school district, or any other political
22 subdivision, including, but not limited to, a turnpike authority,
23 municipal trust, water or conservation district, flood control
24 district, levee or waterway improvement district, urban renewal
authority, public housing authority, or any other authority
authorized by law, state or federal, acquires title to any real

1 property for a governmental purpose between January 1 and October 1
2 of the tax year, such property shall be relieved of ad valorem tax
3 for the remaining months of the year beginning with the first of the
4 month next succeeding the date its acquisition for public purposes
5 becomes a matter of public record, if the deed thereto was recorded
6 prior to October 1; provided, however, that all taxes assessed
7 against such property prior to its acquisition shall be paid in full
8 and there be paid a sum equal to one-twelfth (1/12) times the number
9 of months that the property remained in private ownership of an
10 amount estimated by the county treasurer of the county wherein the
11 real property lies to be substantially equal to the amount of tax
12 which would have been or will become due and payable for the year
13 had the real property not been acquired for public purposes. In
14 estimating the amount of taxes which would have been or will become
15 due and payable for the tax year had the real property not been
16 acquired for public purposes the county treasurer shall use as a
17 basis the current assessment and the tax rate for the preceding
18 year, unless the tax for the current year shall be by then
19 determined and set, in which event he shall use as basis the new
20 assessment and rate. The public agency acquiring the property shall
21 deduct the amount of such taxes from the purchase price payable to
22 the private owner and remit the same to the county treasurer in
23 satisfaction of such taxes. The county treasurer of any county is
24 hereby authorized upon order of the board of tax roll corrections to

1 cancel of record all taxes assessed against such property for the
2 year of its acquisition when the deed thereto was recorded prior to
3 October 1 and the aforesaid estimated amount of the tax for the
4 months that the property was in private ownership is paid, which
5 order shall be issued upon application of the acquiring authority.

6 B. If real property is sold to an entity that is exempt from
7 payment of ad valorem tax pursuant to federal law, Section 6 of
8 Article X of the Oklahoma Constitution or otherwise, notwithstanding
9 the terms of sale or the provisions of any escrow agreement between
10 the seller and the buyer, if the seller of the property, or the
11 seller's agent, makes a request of the county treasurer of the
12 applicable county to provide an ad valorem tax bill for the property
13 based on the tax liability as determined for the property as of the
14 sale date, the county treasurer shall provide such statement to the
15 seller not later than ten (10) business days from the date of any
16 written request to do so. The provisions of this subsection shall
17 be applicable to the sale of any real property occurring on or after
18 January 1, 2023.

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