

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 2247

By: Burns

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6 AS INTRODUCED

7 An Act relating to revenue and taxation; enacting the
8 County Option Severed Net Mineral Acreage Tax Act of
9 2023; stating source of authority pursuant to Section
10 20 of Article X of the Oklahoma Constitution;
11 authorizing counties to submit question for
12 imposition of tax levy on net mineral acreage;
13 defining terms; prescribing procedures for submission
14 of question to county voters; providing for rate of
15 tax; prescribing due date for payment; providing for
16 apportionment of revenues; providing mineral
17 interests owned by governmental entities exempt from
18 taxation; providing for codification; and providing
19 an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 1370.101 of Title 68, unless
there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "County Option
Severed Net Mineral Acreage Tax Act of 2023".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1370.102 of Title 68, unless
3 there is created a duplication in numbering, reads as follows:

4 Pursuant to the authority of Section 20 of Article X of the
5 Oklahoma Constitution, the Legislature authorizes the submission of
6 a question to the voters of any county for the imposition of a tax
7 upon net mineral acreage. Such tax shall not be considered an ad
8 valorem tax, but an excise tax upon the number of severed net
9 mineral acres owned by a person or legal entity in the county which
10 approves the imposition of the levy according to the requirements of
11 this act.

12 SECTION 3. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 1370.103 of Title 68, unless
14 there is created a duplication in numbering, reads as follows:

15 As used in this act:

16 1. "Minerals" means oil, gas, hydrocarbons, helium, or other
17 element, substance or material the ownership of which has been
18 severed from ownership of surface rights with respect to any parcel
19 or trace of real property;

20 2. "Net mineral acreage" means the number of acres owned by an
21 owner multiplied by the percentage ownership if less than one
22 hundred percent (100%) with respect to each tract or parcel for
23 which an owner has any mineral ownership;

24 3. "Person" means:

- 1 a. an individual,
- 2 b. a partnership,
- 3 c. limited partnership,
- 4 d. limited liability partnership,
- 5 e. limited liability company,
- 6 f. trust, or
- 7 g. other lawfully recognized business or legal entity;

8 4. "Severed net mineral acres" means an interest in real
9 property in which the owner of the mineral estate or some fractional
10 part of such mineral estate is not the owner of the surface estate
11 with respect to the same parcel or tract; and

12 5. "Taxpayer" means a person subject to the levy of a tax
13 imposed pursuant to the provisions of this act.

14 SECTION 4. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 1370.104 of Title 68, unless
16 there is created a duplication in numbering, reads as follows:

17 A. A board of county commissioners may submit a question to the
18 voters of the county in order to authorize the imposition of a
19 severed net mineral acres tax according to the requirements of this
20 act.

21 B. The resolution to submit the question to the voters shall
22 require a majority vote of the board of county commissioners.

1 C. The resolution shall prescribe a date for the election which
2 shall not be fewer than ninety (90) days from the date the
3 resolution is approved.

4 SECTION 5. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 1370.105 of Title 68, unless
6 there is created a duplication in numbering, reads as follows:

7 A. Upon approval of the question to impose a tax on severed net
8 mineral acres, the county assessor and the country treasurer shall
9 prepare an abstract of the mineral ownership records of the county
10 and to the extent possible such abstract shall include the number of
11 acres owned by each mineral owner and the percentage of ownership
12 owned by each owner for all parcels of real property within the
13 county with respect to which the mineral owner is not also the
14 surface estate owner of the parcel or tract.

15 B. The abstract shall separately identify mineral interests
16 which are owned by a person or entity who is not the owner of the
17 surface estate with respect to the parcel and the tax authorized by
18 the provisions of this act shall only be applicable to net mineral
19 acres owned by a person or entity that does not own the surface
20 estate with respect to the parcel of real property described.

21 SECTION 6. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 1370.106 of Title 68, unless
23 there is created a duplication in numbering, reads as follows:

1 A. The rate of tax authorized pursuant to the provisions of
2 this act shall be Ten Dollars (\$10.00) per net mineral acre.

3 B. The tax shall be due and payable at the same time and in the
4 same manner as ad valorem taxes imposed upon taxable real property
5 within the county.

6 C. The county treasurer shall send billing statements to the
7 mineral owners subject to a tax imposed pursuant to the provisions
8 of this act stating the total number of net mineral acres subject to
9 the tax, the rate of tax and the total tax liability amount.

10 SECTION 7. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 1370.107 of Title 68, unless
12 there is created a duplication in numbering, reads as follows:

13 The revenue derived from any tax authorized pursuant to the
14 provisions of this act shall be apportioned to a dedicated fund,
15 which shall be created by operation of law if the voters of a county
16 approve the tax on net mineral acreage as authorized by this act.
17 All monies apportioned to such fund shall be used exclusively by the
18 county commissioners for the purpose described in the ballot title
19 in which the proposal for imposition of the tax is contained and the
20 monies derived from such tax levy shall not be used for any other
21 purpose.

22 SECTION 8. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 1370.109 of Title 68, unless
24 there is created a duplication in numbering, reads as follows:

1 No tax otherwise imposed pursuant to the provisions of this act
2 shall be levied upon severed mineral interests owned by any federal,
3 state or local government entity.

4 SECTION 9. This act shall become effective November 1, 2023.

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