

1 **SENATE FLOOR VERSION**

2 March 5, 2025

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 678

By: Pederson of the Senate

and

Boles of the House

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9 [ad valorem tax collections - Reimbursement Fund -
10 expenditures - qualifications - procedures -
11 reduction - appropriation - codification - effective
12 date -

emergency]

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

15 SECTION 1. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 193a of Title 62, unless there
17 is created a duplication in numbering, reads as follows:

18 A. There is hereby created in the State Treasury a revolving
19 fund for the Oklahoma Tax Commission to be designated the "Centrally
20 Assessed Ad Valorem Volatility Reimbursement Fund". The fund shall
21 be a continuing fund, not subject to fiscal year limitations, and
22 shall consist of all monies appropriated to the Tax Commission that
23 are designated for deposit in the fund. Monies appropriated to this
24 fund shall be expended to reimburse counties for school district and

1 county purposes for loss of revenue due to decreased valuation and
2 assessment of centrally assessed property.

3 B. To qualify for reimbursement pursuant to subsection A of
4 this section, the county shall have at least a fifty-percent
5 reduction in net assessed value from centrally assessed properties
6 from the previous year with a school district that would realize at
7 least a ten-percent reduction in ad valorem tax revenues from the
8 previous year.

9 C. Counties qualifying for reimbursement provided by this
10 section shall receive an amount equal to twenty-five percent (25%)
11 of the reduction of collections for the first two (2) years after
12 the reduction in valuation; provided, that the reimbursement in the
13 second year shall be twenty-five percent (25%) of the reduction of
14 ad valorem collections in the second year compared to the immediate
15 year before the reduction in valuation that triggered the
16 qualification for reimbursement.

17 D. Reimbursement funds shall first be used to supplement the
18 reduction in funds to school districts due to a decrease in
19 valuation of centrally assessed properties. Any funds remaining
20 after supplementing the reduction in funds for school districts
21 shall be used to supplement the reduction in funds for counties.

22 E. The county commissioners of each county seeking
23 reimbursement for lost revenue from the Centrally Assessed Ad
24 Valorem Volatility Reimbursement Fund shall make claims for

1 reimbursement on forms prescribed by the Tax Commission no later
2 than December 1 following the reduction in valuation that triggered
3 the qualification for reimbursement.

4 F. Total claims approved for reimbursement shall not exceed the
5 balance of the fund. If total claims exceed the balance of the
6 fund, each claim shall be reduced by a percentage which establishes
7 the proportionate share of total claims for the tax year so that the
8 total claims authorized by this section do not exceed the balance of
9 the fund.

10 SECTION 2. There is hereby appropriated to the Oklahoma Tax
11 Commission for deposit in the Centrally Assessed Ad Valorem
12 Volatility Reimbursement Fund, from any monies not otherwise
13 appropriated from the General Revenue Fund of the State Treasury for
14 the fiscal year ending June 30, 2024, the sum of Two Million Dollars
15 (\$2,000,000.00).

16 SECTION 3. This act shall become effective July 1, 2025.

17 SECTION 4. It being immediately necessary for the preservation
18 of the public peace, health or safety, an emergency is hereby
19 declared to exist, by reason whereof this act shall take effect and
20 be in full force from and after its passage and approval.

21 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
22 March 5, 2025 - DO PASS AS AMENDED
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