# An Act

ENROLLED HOUSE
BILL NO. 3143

By: Jackson of the House

and

Schulz of the Senate

An Act relating to cities and towns; amending 11 O.S. 2011, Section 21-109, which relates to taxation of annexed territory; modifying provisions related to applicability of municipal taxation and regulatory ordinances; and providing an effective date.

SUBJECT: Municipal taxation and regulatory ordinances

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

SECTION 1. AMENDATORY 11 O.S. 2011, Section 21-109, is amended to read as follows:

Section 21-109. A. Tracts of land in excess of forty (40) acres which are annexed to a municipality and used for industrial or commercial purposes shall not be subject to ad valorem taxes at the municipal rate. Tracts of annexed land in excess of five (5) acres which are used by persons engaged in farming or ranching, and all farm animals and livestock, and all agricultural implements and machinery and household goods located on the land, shall not be subject to municipal taxes unless the municipality furnishes services to these tracts as are ordinarily furnished to municipal residents. Tracts of land with an area of width no greater than three hundred twenty-six (326) feet at the widest point which are annexed to a municipality shall not be subject to municipal taxes, unless such tracts are annexed pursuant to paragraph 2 of subsection A of Section 21-103 of this title. No land which is used for agricultural purposes may be taken within the limits of a town and taxed at a greater rate than land which is adjacent to but outside the town limits.

B. ~~On any annexation after July 1, 1998, the~~ The revenue and taxation ordinances of any municipality and the licensing and regulatory authority of any municipality shall not apply or extend to any military installation located on federal property which has been annexed in part or in whole by a municipality on or after July 1, 1998, except to the following extent. The sales, use and occupancy tax ordinances of a municipality shall be applicable and extend to the part or whole of the military installation on federal property annexed on or after July 1, 1998, but the applicability of such ordinances shall be limited to activities on the military installation engaged in by the private sector involving the sale of goods and services taxable under the Oklahoma Sales Tax Code, the storage, use or other consumption of tangible property taxable under the Oklahoma Use Tax Code, and the occupancy of hotel/motel rooms for rent whether received in money or otherwise.

SECTION 2. This act shall become effective November 1, 2014.

Passed the House of Representatives the 14th day of May, 2014.

Presiding Officer of the House
of Representatives

Passed the Senate the 24th day of April, 2014.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 15th

day of May, 20 14, at 11:25 o'clock A M.

By: Audrey Rockwell

Approved by the Governor of the State of Oklahoma this 21st

day of May, 20 14, at 2:17 o'clock P M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 21st

day of May, 20 14, at 5:05 o'clock P. M.

By: Chi Benge