

ENROLLED HOUSE BILL 2198  
ENACTED BY THE SECOND REGULAR SESSION OF THE  
45TH LEGISLATURE OF THE STATE OF OKLAHOMA  
NUMBERED BY THE SECRETARY OF STATE

STATE QUESTION NUMBER 675  
LEGISLATIVE REFERENDUM NUMBER 305

AND

STATE QUESTION NUMBER 676  
LEGISLATIVE REFERENDUM NUMBER 306

AND

STATE QUESTION NUMBER 677  
LEGISLATIVE REFERENDUM NUMBER 307

Received: May 24, 1996

# An Act

ENROLLED HOUSE  
BILL NO. 2198

By: Steidley, Tyler, Paulk,  
Ervin, Leist, Hefner,  
Perry, Adair, Adkins,  
Blackburn, Boyd (Betty),  
Boyd (Laura), Coleman,  
Deutschendorf, Dunlap,  
Fields, Glover,  
Greenwood, Hastings,  
Hiett, Hilliard, Kirby,  
Maddux, Mass, Matlock,  
Peltier, Plunk, Reese,  
Roach, Seikel, Settle,  
Thomas, Thornbrugh,  
Vaughn and Wells of the  
House

and

Williams (Don), Williams  
(Penny), Campbell,  
Roberts and Martin of the  
Senate

An Act relating to revenue and taxation; directing the Secretary of State to refer to the people for their approval or rejection the proposed amendments to Article X of the Constitution of the State of Oklahoma; amending Section 8 of Article X of the Constitution of the State of Oklahoma, which relates to valuation of property for taxation; modifying assessment percentages for certain property; providing for a maximum and minimum amount for assessment percentages on certain personal and real property; providing for assessment of certain property to be at certain percentage; providing for vote of the people for certain increases; providing limitations; directing Secretary of State to refer to the people for their approval or rejection a proposed amendment to Article X of the Constitution of the State of Oklahoma by adding a new section to be designated as Section 8B; providing for a maximum percentage amount for which certain real property can increase; providing for certain exceptions and qualifications; providing effective date for provisions of section; providing effective date for certain counties in compliance with certain laws governing valuations; providing exceptions; permitting the Legislature to enact certain laws; directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to Article X of the Constitution of the State of Oklahoma by adding a new section to be designated as 8C; prohibiting fair cash value of certain homesteads for exceeding certain amount; providing qualifications and restrictions; providing for fair cash value to increase under certain circumstances; providing effective date for provisions of section; providing for certain valuation assessment provisions to apply under certain circumstances; providing ballot titles; and directing filing.

Section 8B. Despite any provision to the contrary, the fair cash value of any parcel of locally assessed real property shall not increase by more than five percent (5%) in any taxable year. The provisions of this section shall not apply in any year when title to the property is transferred, changed, or conveyed to another person or when improvements have been made to the property. If title to the property is transferred, changed, or conveyed to another person, the property shall be assessed for that year based on the fair cash value as set forth in Section 8 of Article X of this Constitution. If any improvements are made to the property, the increased value to the property as a result of the improvement shall be assessed for that year based on the fair cash value as set forth in Section 8 of Article X of this Constitution. The provisions of this section shall be effective January 1, 1997, and thereafter for counties which are in compliance with the applicable law or administrative regulations governing valuation of locally assessed real property as of such date. For counties which are not in compliance with such law or regulations as of January 1, 1997, the provisions of this section shall be effective January 1 of the year following the date the county is deemed to be in compliance with such laws or regulations as provided by law. The provisions of this section shall not apply to any personal property which may be taxed ad valorem or any property which may be valued or assessed by the State Board of Equalization.

The Legislature shall enact any laws necessary to implement the provisions of this section.

SECTION 3. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to Article X of the Constitution of the State of Oklahoma by adding a new Section 8C to read as follows:

Section 8C. Despite any provision to the contrary, beginning January 1, 1997, the fair cash value, as determined by law, on each homestead of an individual head of household whose gross household income from all sources for the preceding calendar year did not exceed Twenty-five Thousand Dollars (\$25,000.00), and which individual head of household is sixty-five (65) years of age or older, shall not exceed the fair cash value placed upon the property during the first year in which the individual head of household was sixty-five (65) years of age or older and had gross household income from all sources of Twenty-five Thousand Dollars (\$25,000.00) or less. Subject to the limitations of this section, the fair cash value shall not exceed such amount as long as the individual head of household who is sixty-five (65) years of age or older owns and occupies the property and as long as the gross household income from all sources does not exceed Twenty-five Thousand Dollars (\$25,000.00) in any calendar year. If any improvements are made to the property, the fair cash value of the improvements shall be assessed in accordance with law by the county assessor and added to the assessed value of the property. Once the fair cash value of the improvements has been added to the fair cash value of the property, the total fair cash value shall not exceed the revised valuation of the property so long as the individual head of household who is sixty-five (65) years of age or older owns and occupies the property and so long as the gross household income from all sources does not exceed Twenty-five Thousand Dollars (\$25,000.00) in a calendar year. For any individual head of household who is sixty-five (65) years of age or older prior to January 1, 1997, and has gross household income from all sources of Twenty-five Thousand Dollars (\$25,000.00) or less in calendar year 1996, the fair cash value of the real property shall be the fair cash value placed upon the property on January 1, 1997. If the individual head of household ceases to own and occupy the property or if the gross household income from all sources exceeds Twenty-five Thousand Dollars (\$25,000.00) in a calendar year, the fair cash value of the property shall be determined as if the provisions of Section 8 of Article X of the Constitution of the State of Oklahoma or any other provisions relating to a limitation on the fair cash value of locally

SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

YES, FOR THE AMENDMENT

NO, AGAINST THE AMENDMENT

SECTION 6. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 3 of this act shall be in the following form:

BALLOT TITLE

Legislative Referendum No. \_\_\_\_\_

State Question No. \_\_\_\_\_

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends the Oklahoma Constitution. This measure would add a new section to Article 10 to be designated Section 8C. It would limit the fair cash value on a homestead. The homestead must be owned by a person who is 65 years of age or older, and have a gross household income of \$25,000.00 or less. The fair cash value would not exceed the fair cash value placed on the homestead the first year the individual reached the age of 65 years and had a gross household income of \$25,000.00 or less. Improvements to the property would be assessed and added to the assessed value of the property. This measure would become effective on January 1, 1997. If the individual ceases to own and occupy the property, the fair cash value would be determined as all other real property. If the gross household income exceeds \$25,000.00, the fair cash value would be determined as all other real property according to law.

SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

YES, FOR THE AMENDMENT

NO, AGAINST THE AMENDMENT

SECTION 7. The Chief Clerk of the House of Representatives, immediately after the passage of this act, shall prepare and file one copy thereof, including the Ballot Titles set forth in SECTIONS 4, 5 and 6 hereof, with the Secretary of State and one copy with the Attorney General.