



The mission of the Ad Valorem Division of the Oklahoma Tax Commission is to promote an ad valorem property tax system which is fair and equitable to all taxpayers by implementing standard valuation methodology, tax law conformity, and assessment administration compliance.

“IAAO Zangerle Award Winner:
1997 and 2010”



Oklahoma Ad Valorem

FORUM

Director’s Notes:

The AdValorem Division held its ninth annual Capitalization Rate Conference March 24, with both company representatives and county assessors in attendance. Thanks to all who made the effort to come and participate.

We have posted our draft Capitalization Rate Study to the OTCWeb site, have completed the comments period. After considering all comments received, the AdValorem Division will be posting a final Cap Rate Study.

We will soon be entering the busiest, and most challenging, time of year for our Public Service Section. I’m proud of the efforts and professionalism of our staff, as they prepare to value around 275 companies in approximately one month’s time. Our newest staff members are eager to tackle this difficult project for the first time, and their enthusiasm is evident in all they do.

Of course there are many other things going on at the AdValorem Division, as well. The Tax Commissioners recently approved \$80,234,967 million in Five-Year Exempt Manufacturing claims for reimbursement. These are claims that were filed and approved in 2015, for payment in 2016. With approximately \$47 million to be deposited in the Five-Year fund by June 2016, we will be watching for a supplemental appropriation from the Legislature to make common education whole by the start of the new fiscal year, and enter into the “payment plan” approach for reimbursements to the other ad valorem recipients (counties, Career Tech, Jr. College, etc.).

Administrative Professionals Day was April 27th, so we want to express our gratitude to the entire administrative staff here at the Ad Valorem Division for the remarkable work they do. I’m sure you feel the same way about your coworkers. It’s great to have such wonderful people you can always count on, no matter what happens!

Planning for the 72nd Annual Educational Conference in Tulsa, August 2-5, is nearing completion. We will soon be meeting with officers of the Assessor’s Association to finalize the program. As in years past, the Ad Valorem Division will send out registration packets to the counties in early June.

I know it’s difficult to imagine, but District meetings will begin in just a couple of weeks. We look forward to these every year, and enjoy making the rounds and seeing all that our beautiful state has to offer—along with the incredible hospitality of our host counties! I hope to see you out there, somewhere on the trail.

Kind Regards,

Joe Hapgood, CAE
Ad Valorem Division Director

P.S. “Always do right. This will gratify some—and astonish the rest!” (Mark Twain)



“A Mapping Minute”

With Steve Oliver

Good day! Most of you know me as your “Go To” person for mapping questions and help. One of my other duties is to update city municipality boundaries. Below is a brief history from an OTC publication:

In 2000, the Ad Valorem Division of the Oklahoma Tax Commission requested information related to the municipal boundaries for every city in the State to create a consistent set of maps to be used for the assignment and distribution of local and state taxes, use taxes, and public service taxes, and for protection of the integrity of municipal elections.

Also in 2000, Title 11, Section 21-112 of the Oklahoma Statutes was amended to read:

*When any territory is annexed to or detached from a municipality, whether by ordinance or court order, the mayor shall file and record a duly certified copy of the ordinance or court order, together with an accurate map or plat of the territory, in the office of the county clerk of the county in which the territory, or the greater portion of it, is located **and with the Ad Valorem Division of the Oklahoma Tax Commission**. The record in the office of the county clerk shall be conclusive evidence of such annexation or detachment.”*

Since 2000, we have been collecting and mapping boundary changes when the cities have followed through with this requirement. The Oklahoma Tax Commission has also contracted with the University of Oklahoma to create a sales tax database that matches zip+4 zip codes with the proper sales tax rates. This database is based on the municipal mapping that we have been doing. This database went live for voluntary use by vendors in 2004. Soon, the State will join with other states in requiring the taxing of sales of products purchased over the phone and internet using this database.

The Oklahoma State Election Board has centralized their voter registration database. They produce their database off of the city, school district, and precinct mapping that the University of Oklahoma has been producing for various state agencies. The State Election Board requires the local county election board offices to use this database for all elections. These local offices have been making cities aware of potential miss-matches.

For many reasons, it is extremely important that the mapping information is correct. Without current information coming from municipalities, it is impossible to keep maps up-to-date.

Folks in the county assessor’s offices are generally the first to notice when something is incorrect. Many of you have made corrections to your map layers reflecting the proper boundaries, which is a credit to you. Unfortunately, it does not help the municipalities to collect their due sales tax, or help the election board make sure the citizens of your county are given the correct ballots.

When you come across these discrepancies, contact the municipalities’ clerk/mayor, and offer your assistance in fixing the problem. Remember, I need copies of the annexation’s explaining why the property is, or is not, in city boundaries (this is my version of a deed, and they usually read the same), and a map is always helpful. As you are assisting, remember to read over the legal descriptions, just to make sure it’s correct. It is not unusual for me to receive phone calls from a city representative, thinking some property has been annexed, when it was never put down on paper and submitted.

Well, good luck. I hope to see you at the District Meetings in May.

Ad Valorem Forum Mailing List:

If you have coworkers who would enjoy receiving this monthly publication, please send their email address to jbittner@tax.ok.gov.





“Let’s Get Personal” Property

by **Patty Heath**

Thank you for your responses to the 5-Year Exempt Manufacturing balancing. Here are the actual figures:

- Total Reimbursement - \$80,234,967
- Common Ed - \$54,924,091
- County - \$12,390,208
- Career Tech - \$10,063,888
- Other - \$2,281,072
- Community College - \$575,708

With the estimated amount in the Reimbursement Fund at \$9.0 million, the legislative appropriation will have to be at least \$45,000,000 to cover common education. This should help prepare assessor’s offices for the conversations that may occur with school superintendents.

This will be the largest appropriation of monies in the history of the 5-Year Exempt Manufacturing Program. The projected payout by property type still has Electric Wind Generation leading the way at 39% of the reimbursement amount, with Traditional Manufacturing at 23%. The rest is as follows: Large Manufacturing at 19%, Data Computer Processing at 18%, and Distribution at 1%.

The Personal Property Schedule for the 2016 is under way. We have already had some requests for next year’s schedule. We will research all requests, and deem whether a request is needed in the schedule.

We are still tracking a few bills. The next date to keep on your calendar is April 21. This is the date all bills must be out of the opposite house.

Charles Bradford “Brad” Henry

Twenty-sixth Statehood Governor

January 13, 2003 - January 10, 2011

Charles Bradford “Brad” Henry was born in 1963 in Shawnee, to Charles and Audre Henry. After graduating from Shawnee Public Schools, he went on to attend the University of Oklahoma as a President’s Leadership scholar. He earned a bachelor’s degree in economics in 1985, and was graduated in 1988 with a law degree from the OU College of Law. He served as managing editor of the OU Law Review from 1987-1988.

Following graduation, Henry practiced law with his father in Shawnee. He married a Shawnee school teacher, Kim Blain. The couple has three daughters.

Henry served in the Oklahoma State Senate from 1992-2002. While in that office he served as chair of the Judiciary Committee, vice-chair of the Economic Development Committee, and sat on the Appropriations Committee. He served in the senate until his election as Governor.

Henry’s campaign for governor focused on strengthening education, providing quality health care and improving economic opportunities for Oklahomans. He was sworn into office during a budget crisis and worked for bipartisan agreements in the legislature to protect education and health care from budget cuts. He helped to bring the “education lottery” to a vote of the people in 2004.





Continued from page 3 “The Governors of Oklahoma - Charles Bradford “Brad” Henry”...

During his first term, Governor Henry worked to raise pay of Oklahoma teachers to match the average salaries for the region. He was instrumental in getting a tribal gaming act approved that would help fund the state’s schools and save the horseracing industry.

An important measure that Henry helped advance limited the purchase of certain over-the-counter medications that are used in the making of methamphetamines. Since its passage, the measure has dramatically reduced the number of meth lab seizures across the state, and has become a model used by other states to limit the production of meth.

In 2006, Henry was elected to a second term, becoming the third governor in state history to be elected to consecutive terms. He continued to push for a more accountable education system and better access to affordable health care. His greatest emphasis was to raise teacher salaries and benefits and to expand early childhood education programs. Although he is probably best remembered for his education agenda, Henry also signed a bill in 2006 that legalized the tattoo industry in Oklahoma.

Improving the state’s economy was a major focus for Henry during both terms. To accomplish this, he pushed for economic development initiatives and tax cuts for personal income. He felt that by creating a better economic environment, more businesses would locate in the state. The hope was that new businesses would bring in higher-paying jobs, keeping more college graduates in Oklahoma.

In 2010, President Barack Obama appointed Gov. Henry to a six-member Council of Governors. The council was created by President George W. Bush to exchange mutually beneficial information by working with the secretaries of defense, homeland security, and other advisors.

After completing his second term, Henry returned to private law practice in Edmond. He is also a founding member of the consulting firm, Henry-Adams Companies, LLC.

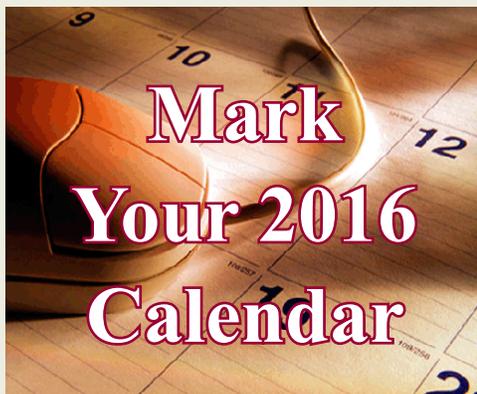
In March 2016, Henry was named as co-chair for the Oklahoma Death Penalty Review Commission. The independent commission will investigate all aspects of capital punishment, and hopes to release recommendations sometime in 2017.



Oklahoma Gov. Brad Henry speaks during the USS Oklahoma memorial dedication ceremony in Pearl Harbor on Dec. 7, 2007.



Oklahoma Gov. Brad Henry, (L) points to an area of interest in a Picher neighborhood with FEMA Administrator R. David Paulison.



District Meeting Schedule:

- May 6: NE District Meeting, Craig County (Kelli Minson, Chair)
- May 13: NW District Meeting, Woodward County (Mistie Dunn, Chair)
- May 20: SE District Meeting, McCurtain County (Stan Lyles, Chair)
- May 27: SW District Meeting, Stephens County (Dana Buchanan, Chair)

OTC Annual Educational Conference:

- August 2-5: Tulsa Marriott Southern Hills