

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 2011 district meetings have been informative and useful, and as always, I personally enjoy district meeting time. Oklahoma is a fascinating state with an incredible variety in scenery and history that you can see in different corners of our boundaries. With travel budgets tight, we don't get out as much as we'd like, and it is always enlightening to visit different counties outside of the Oklahoma City metro area.

The Northeast District had a good meeting with presentations by the Ad Valorem Division, CLGT, CCAP, and Assessor Association officers. We also enjoyed the lunch time visit from Elvis impersonated by the boys' high school basketball coach at Beggs. Brent Gideons may just be ready for Las Vegas. He did a terrific job. I didn't realize that Elvis was so informed about property taxes.

Last Friday, we had a good meeting at Quartz Mountain hosted by Greer and Harmon Counties. The meeting was held in one of the buildings used during the annual arts institute at the lodge, and it has a great view of the lake.

One of the most interesting things about the Southwestern District Meeting was the visit Donna Giddens showed us of the new log cabin home being built in Greer County near the Quartz Mountain Lodge. It isn't your ordinary Abe Lincoln log cabin. The home was built in Canada, disassembled with each log numbered and shipped down to Oklahoma for assembly on the building site. The garage is larger than most houses, and it features some unique woodwork carvings of animals and birds of the redwood forests.

What makes this building interesting? The owner recently won \$80 million in the lottery and had an impressive budget for the project. Donna Giddens will have a challenge arriving at a fair market value for 11,600 square feet of the property.

We've sent out a bulletin reminder on the abstract submission dates. Abstracts are due by statute on June 15. The State Board of Equalization has scheduled its regular meeting for June 17, so don't let the submission date slide by.

Monica Schmidt, County Assessors Association President, and the officers will meet with the Ad Valorem Division after the Noble County meeting, and we'll have some more planning sessions for the annual conference. CLGT and CCAP will also be at the meeting. If you have any thoughts about the annual conference, please let us know. We need input from everyone involved in making the annual conference a good event.

We enjoyed seeing everyone at the district meetings. We appreciate all you do for your taxpayers, and all the hard work of county assessors and deputies everywhere. It's a tough job, but ad valorem is an extremely important part of local government in Oklahoma. We're all working to pass the system on better than it was given to us.

Sincerely,

Jeff Spelman, CAE  
Director, Ad Valorem Division

*“The meek shall inherit the earth but not the mineral rights.” Anwar Caddo, Ad Valorem Philosopher.  
Quote stolen from some unknown party.*



## Northeast District Meeting



*Northeast District meeting attendees.*

## Southwest District Meeting



*Southwest District Meeting attendees.*



*OTC staff Paula Gibson & Marsha Rayborn are serenaded by Elvis impersonator at the Northeast District Meeting.*



*Gerald Sherrill (left), Jackson County Assessor, pictured with former assessor J.C. Brooks at the Southwest District Meeting.*



*Carol Bomhoff, CCAP, interacts with Elvis.*



*Recent construction in Greer County on a lottery winner's house built from logs imported from Canada.*





## Southeast District Meeting



Attending the Southeast District Meeting are assessors Monica Schmidt, Karen Perkins, David Tinsley, Gail Hedgoth and Scott Kirby.



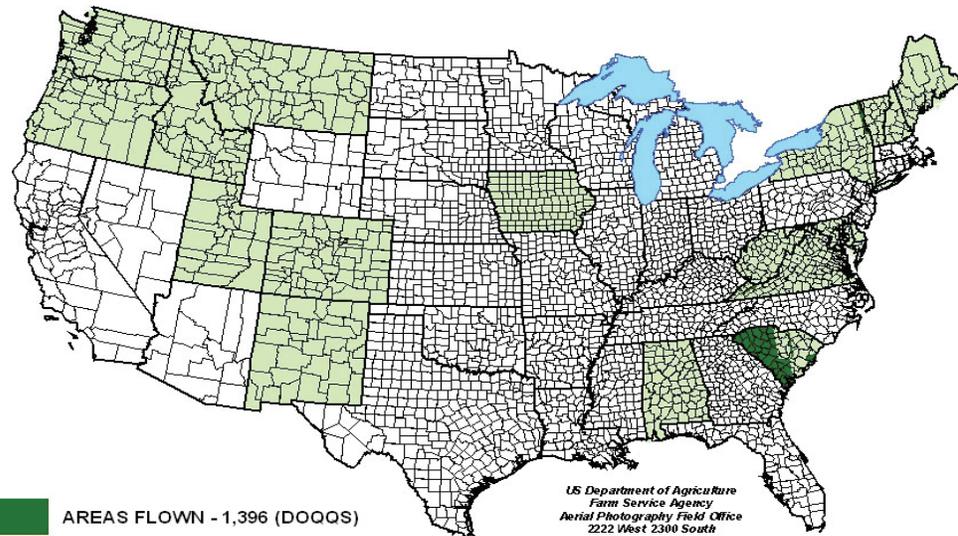
View from LeFlore County at the Kerr Convention Center overlooking the valley.



We finally have some news about the 2011 flight schedule of the Farm Services Administration's National Agriculture Imagery Program. (The NAIP program is the program that has given us the 2003, 2004, 2005, 2006, 2008, and 2010 color, aerial photos.) They are flying 18 states this year. This means that they are currently back to a three-year cycle. This should mean that our next flight will not be until 2013. So, now you know!

*Remember: "The problem with getting something 'free' is that you usually get it on someone else's schedule!"*

### 2011 NAIP IMAGERY STATUS May 3, 2011



- AREAS FLOWN - 1,396 (DOQQS)
- AREAS CONTRACTED - 77,025 (DOQQS)

US Department of Agriculture  
Farm Service Agency  
Aerial Photography Field Office  
2222 West 2300 South  
Salt Lake City, UT 84119-2020  
Bridget Barlow  
Tel: 801-844-2911 Fax: 801-956-3640  
Email: [bridget.barlow@fs.fda.gov](mailto:bridget.barlow@fs.fda.gov)  
Website: [www.apfo.usda.gov](http://www.apfo.usda.gov)





## 4 “C” April Meeting Notes

The 4C committee has reviewed the software conversion procedures which were created to guide a county who is changing software vendors. It will provide a general path to accomplish the conversion. An oversight committee will include 4 members: Assessors’ Association president, Ad Valorem Division director, CLGT/CCAP representative, and a county assessor. It’s important a county know what is involved in the transition and the sequence in which each step should occur. Generally, the procedures should help the county accomplish its goal on a one-year timeframe, excluding any unforeseen occurrences. Additional language is under consideration if a county chooses to go from one private vendor to another, rather than to the state system.

Some personal property issues have come to light recently and are being addressed by Bill Wadsworth. A couple of updates may be ready this month. New pricing tables are ready and will be installed when counties are ready for them. Some clean-up work was necessary on the mobile home tables to remove some altering that had been done over the years. Table numbers were based on Marshall & Swift manuals as well as NADA data.

Location plays a part in the value of a mobile home as there is more value on the lake properties. Metal buildings are impacted by location, too, because concrete for foundations varies across the state.

A number of updates will be forthcoming from CCAP. There is a deviation between counties that have new compilers regarding start-up times. Some are 15 to 20 seconds while others are 3 seconds. Analysis has been made as to network traffic and its impact on slowing the computer. One solution is for the county assessor to isolate his own network from the other county offices. What seems to improve one computer may not work on another.

Custer County is still experiencing difficulties even with new cable and switches. The assessor plans to get a direct service line for the office which is estimated to be \$80 a month. Pottawatomie County has one DSL line for the courthouse, but each office has its own port, and there are no issues.

Disconnecting from the internet entirely is not a viable solution because some programs must have access to internet folders to function. For example, a county could not send data to store at OSU or send ag permits to the OTC without internet access.

Some difficulties have been experienced when transmitting ag card information by counties that do not have the new version. For tracking purposes, do not remove the “R” or “N” code on the ag cards until the end of the year. When the system backs-up data, it should read only R and N for the current year. This will be a help to verify what information has been transmitted to the OTC.

There is an occasional problem dumping personal property from CAMA to AA; for example, farm equipment in a business record will change to personal property. Some non-farm businesses have tractors which should be listed as “machinery & equipment”. When data is entered as M & E, it will stay listed as a business and not look like personal property on a farm. It’s a similar situation with cattle; sometimes it is personal property, other times it is inventory.

The training OTC is providing to the Carter County staff is progressing well.

There is a security issue with Windows 7 in Garfield County and that will be pursued to see what the issue is.

The OTC conference in August will have a somewhat different format this year. The computer training will be held in the hotel facility, and plans are being discussed as to what that training will entail.

The next 4C meeting is scheduled for June 14 at 10:00 a.m. in the Ad Valorem Division.

## Receive the “Forum” by Email:

To receive the “Ad Valorem Forum” by email, please forward your email address to Cyndi Heath at [cheath@tax.ok.gov](mailto:cheath@tax.ok.gov).





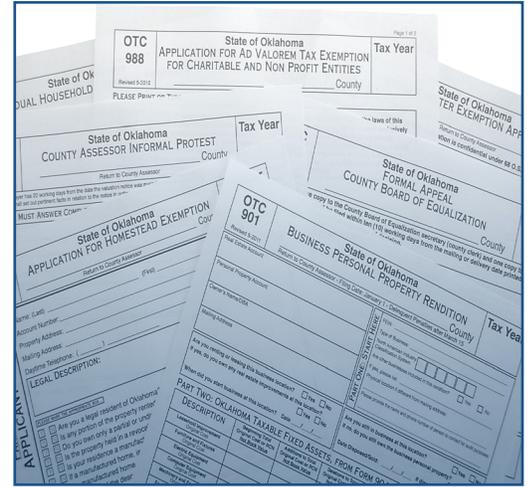
## Are You InFORMative?

Property owners often ask county assessors where certain forms may be obtained. What they need is readily available online at [www.tax.ok.gov](http://www.tax.ok.gov). Just go to the link, click on “AdValorem” located on the left side, select “Forms”, then select “General Forms”.

Occasionally you may need to stay on the phone with the caller while he navigates to the forms list and locates the proper form. If the caller has no computer access, it may be necessary to print and mail a copy.

When preparing information to distribute to property owners in your county, take those opportunities to list the website and the steps to get to the forms. This should cut down on the number of calls you receive.

The following is a list of forms available for public use.



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FORM NUMBER	FORM NAME
538-H	Oklahoma Claim for Credit or Refund of Property Taxes
900XM	Tax Exempt Manufacturing Application
901	Business Personal Property Rendition
901-F	Freeport Exemption Declaration
901-P	Business Personal Property Rendition - Petroleum Related
904 Sch. 3	Replacement Cost Less Normal Depreciation
904-A, Sch. 3-A	Replacement Cost Less Normal Depreciation
904-3-P	Petroleum Related Asset Listing
905	Storm Shelter Exemption Application
921	Oklahoma Application for Homestead Exemption
924	Oklahoma Agricultural Personal Property Rendition
930	Oklahoma Application for Veterans Exemption - Household Personal Property
935	Oklahoma Household Personal Property Rendition
935MH	Manufactured Home Personal Property Rendition
952	Application for Manufactured Home Personal Property Exemption
954-A	Oklahoma Freight Car Tax Per Diem Earnings Only
954-B	Oklahoma Freight Car Tax Affidavit
974	Informal Protest to County Assessor
976	County Board of Equalization Formal Appeal
987	Application for Ad Valorem Exemption - Religious
988	Application for Ad Valorem Exemption - Charitable
988-A	Oklahoma Report Charitable Residential Renter Accommodations
989	Notice of Protest and Request for Hearing in the Court of Tax Review for the State of Oklahoma Tax Commission
990	Oklahoma Payment of Taxes Under Protest Due to Pending Appeal
994	Application for Property Valuation Limitation and Additional Homestead Exemption
998	Application for 100% Disabled Veterans Property Tax Exemption
998-A	Application for 100% Disabled Veterans Household Personal Property Tax Exemption
999	Application for Agricultural Land Conservation Adjustment





## Drought Surpasses Dust Bowl Days

While tornadoes and floods take a toll on the South and Midwest, the western edge of the Oklahoma Panhandle is enduring a weather calamity of its own – its longest drought on record, even worse than the Dust Bowl days. Boise City has gone 222 consecutive days without significant rain as of May 3, 2011, the longest dry spell in the area since record-keeping began in 1908, according to Gary McManus, a state climatologist.

It is unlikely that the Dust Bowl would repeat itself since farming has changed so much as a result of that environmental disaster. Since that time, Boise City has had some plentiful years.

However, it is unclear how much more Boise City can endure with the community continuing to dwindle, losing 16 percent of its population in the 2010 census. With only 1,312 people living there now, it's less than the 3,000 who bought the first lots in 1908 expecting to find a land of promise with a railroad, water and trees, as the marketing propaganda depicted.

Even the name conjured a positive image since “boise” is from the French “le boise” meaning trees. The region became known as “No Man’s Land” for the harshness of the terrain.

Cimarron County now has 2,475 residents spread so thin over the area that it averages only 1.3 people for each square mile.

Young people are moving away in search of opportunity. The old are dying or moving away to be closer to family or medical facilities. The local funeral director purchased the local café to supplement his income as business declined. Main Street is deserted and many storefronts are shuttered. Most residents drive 60 miles to shop at Wal-Mart.

Locals blame the lack of jobs, not the drought, for the town’s decline. Many who live there are descendants of those who endured the dust bowl and have prospered from the land since that time. Not easily discouraged, they say dry spells come and go, and they’ve learned to cope with them.

Die-hards who stayed in the 1930s ended up with a lot of land; however, some had to stay because they had no funds to leave with the “Okies”.

Huston Hanes, 87, lived through the Dust Bowl and is glad his family stayed. He reasons there is adversity anywhere you go and adds on a positive note “we don’t have that many tornadoes.”

The drought doomed this year’s crops and is forcing ranchers to sell some of their cattle. Without water and grass, cows need more nutrient-rich feed, which is expensive. Cattle that are malnourished and can’t reproduce are not worth keeping and are sold for slaughter.

The land has been compared to a member of the family, and it is not expendable simply because things are not going right.

There is a ripple-down effect through the community; while some shops close, others see a decline in customers. A local beauty shop owner noted some customers come every other week now instead of weekly.

Locals dread the completion of the highway bypass around town. They expect that long-haul truckers, who often stopped in town for gas and food, will no longer bother. John Freeman, County Commissioner, estimated 3,000 trucks a day pass through now and provide half the county’s sales tax revenues. Hope for the future lies in the possibility of harnessing the inexhaustible supply of wind. But the permit process for wind farms takes years, and then transmission power lines must be built.

“There’s no economic growth whatsoever,” Commissioner Freeman lamented. “It’s going to have to be wind energy or we’ll die.”



*At the Sharp Ranch, outside Boise City, OK. No grass in sight.*





## Focus on Beaver County

Beaver County is located in the Oklahoma Panhandle which is a strip of land 34 miles wide and 169 miles long. The Panhandle was known as Cimarron Territory in the 1880s when a grassroots movement sought territorial status for the Territory. A provisional government would organize the territory, encourage homesteading, and hoped to change the territory into the State of Cimarron.

In 1885 the U.S. Supreme Court ruled that this strip of public land did not belong to the Cherokee Outlet; thus, open-range grazing ended, and settlers, mainly from Kansas, poured in. Most homesteaders settled near Beaver City, located on the Beaver River alongside the Jones and Plummer Trail. The town began in 1880 when an enterprising man named Jim Lane built a house on the south side of Beaver River. This house served as a general store, saloon, hotel, and restaurant. The building still stood at the beginning of the twenty-first century and is listed in the National Register of Historic Places.

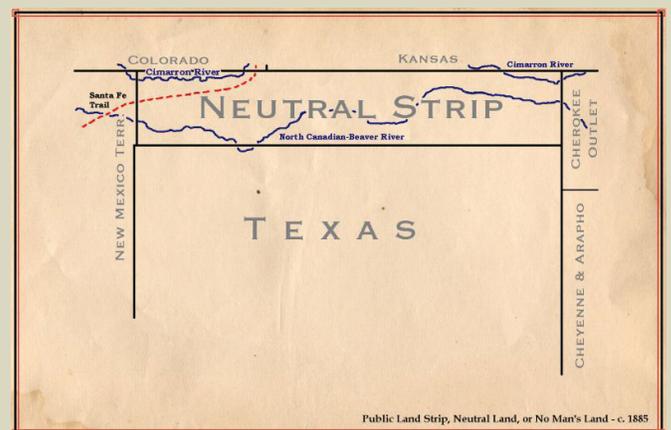
Settlers had difficulty holding claims because lawbreakers threatened citizens and property. Serious obstacles included the lack of legitimate land titles and law. Without legal titles, settlers could not obtain bank loans.

Known as “No Man’s Land”, this portion of country was without law of any kind. The only inhabitants were a few cattlemen, who for mutual protection organized a form of territorial government in 1886, although without an enabling act from Congress. It was called the Territory of Cimarron and an election was held in November 1887 with a full quota of territorial officers elected, also a delegate to Congress. The legislative assembly enacted laws, providing penalties for all crimes. Only two crimes were punishable by death; cattle stealing and murder. The greatest of these was cattle stealing. All lesser crimes were punishable by banishment from the territory.

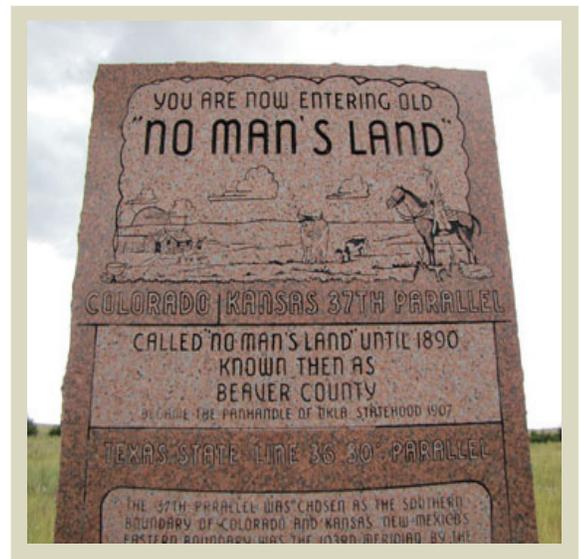
The proposed territorial government prompted concern as some believed only Congress could establish territorial governments and that political maneuvering would delay homesteaders’ rightful claims to the land. In 1887 all attempts failed to change the territory into the



*The Beaver County Courthouse, located in Beaver, OK, is listed on the National Register of Historic Places. The original structure was used from 1908 to 1926 when the current courthouse was built at a cost of \$90,000.*



*No Man’s Land, also known as Public Land Strip, Neutral Land and Cimarron Territory - 1885.*





Continued from page 7 "Focus on Beaver County"...

State of Cimarron. In 1888 settlers faced more hard times. People became increasingly concerned with survival; political interest waned. Drought and crop failure plagued homesteaders, who could not secure funds to help themselves. Plans asking New Mexico Territory to annex it, or attaching it to a future Oklahoma Territory, collapsed. An endeavor to attach Cimarron Territory to Kansas also failed.

In hopes President Cleveland would champion the cause, "An Act to Organize the Territory of Cimarron" was written, but its failure was Cimarron Territory's last effort at organized government.

The opening of Oklahoma's Unassigned Lands in April 1889 signaled Cimarron Territory's death knell. With failed crops, bad weather, no secure property rights, no law, and most importantly, no broad-based, national support, the plan was doomed. In less than a year, more than ten thousand of the region's fourteen thousand occupants had left.

Finally, the remaining settlers found relief when the area became officially attached to Oklahoma Territory in May 1890, ending all hopes for Cimarron Territory to become a state. In 1890, the area was assigned to Oklahoma Territory, and Beaver City became the seat for the entire Oklahoma Panhandle, then known as Seventh County.

When Oklahoma became a state in 1907, the panhandle was divided into three counties, with the eastern most county retaining the name of Beaver, and the county seat of Beaver dropped "city" from its name.

The early economy depended on cattle ranching until 1902-1903, when the Homestead Act brought farmers, whom ranchers sometimes derided as "pumpkin rollers," to the area. This changed the town's population and commerce. One of the first businesses was the Groves Hotel, built in 1885. A few years later came a general hardware and implement company, the first newspaper came in 1887, and in 1905 a telephone exchange was established.

Banks, railroads, cleaners, grocery store and motor company, lumber yard, saloons and hotels soon followed. At the end of the twentieth century the economy was based on cattle ranching, wheat and milo farming, corporate hog farms, and oil and gas production.

Beaver County suffered during the Great Depression and the Dust Bowl. Population declined during those years but increased in the 1940s.

Built at a cost of \$1,000 in 1887, the Presbyterian Church building is listed on the National Register of Historic Places as "the oldest church in Oklahoma Territory".



SEEDING CHRISTIAN CHURCH BROOM CORN, BEAVER, OKLA. SEPT. 28, 1909.



*Truax and Hopkins Undertaking, Hardware, and Furniture Store - 1905*



*Presbyterian Church, the oldest church in the Panhandle, erected in June, 1887.*





Continued from page 8 "Focus on Beaver County"...

### Cow Chip Throwing Capital of the World

Beaver, Oklahoma is known for its annual World Championship Cow Chip Throwing Contest in April annually. The contest is the opener to the week-long Cimarron Territory Celebration. To commemorate the festival, a statue was built of a big beaver holding a large piece of cow poop.

King Cow Chip™, a leering cartoon of a dried bovine fecal wad wearing a tilted crown, is the town's registered trademark. This "Dried-in-the-Sun King" has brought notoriety -- and prosperity -- to Beaver. King Cow Chip's royal entourage keeps the unchallenged claim alive, cranking out commemorative gift boxes of cow chips and entertaining foreign dignitaries.

Cow Chip Moment in History: July 8, 1994, CBS This Morning: TV network morning show was at the cow chip festival. Host Paula Zahn tossed Roadside America's gift cow chip at co-host Harry Smith.



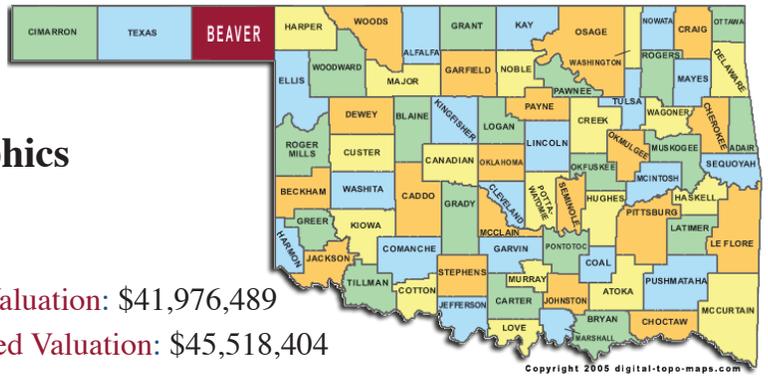
Beaver, OK, home of the World Championship Cow Chip Throwing Contest

### Beaver Dunes State Park

A mile north of the town of Beaver is Beaver Dunes State Park, featuring a formation of sand dunes offering dune buggy riding on 300 acres of sand hills. The sand creates an oasis effect that appeals to park visitors and off-road enthusiasts alike. Located in Oklahoma's panhandle region near the City of Beaver, the 520-acre park was originally established in 1930 as a municipal park for the city. In addition to buggy riding, the park offers fishing, hiking trails, playground and two campgrounds.



Beaver Dunes State Park



### Beaver County Demographics

Population: 5,857

Area: 1,808 square miles

2010 Real Property Net Assessed Valuation: \$41,976,489

2010 Personal Property Net Assessed Valuation: \$45,518,404



### OTC Annual Educational Conference

August 9 - 12: Marriott Southern Hills Hotel and Conference Center, Tulsa, Oklahoma

**NOTE:** The hotel is not accepting room reservations for our conference at this time. When you receive the bulletin announcement including conference information, the block will then be opened for the hotel to receive reservations. Be sure to mention you are attending the OTC conference to get the special room rate which is \$80 per night regardless of number of guest per room.