

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 SENATE BILL 2026

By: Weaver

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6 AS INTRODUCED

7 An Act relating to ad valorem tax; defining terms;
8 providing credit against ad valorem tax for certain
9 expenses or reduction in fair cash value resulting
10 from a lack of enforcement of laws and maintenance of
11 certain nuisance; prescribing amount of credit;
12 requiring county treasurer to withhold certain
13 distribution of funds; prohibiting credit for certain
14 act or omission; requiring local government to bear
15 the burden of proof in challenge to claim;
16 prohibiting requirement to submit claim to receive
17 just compensation; authorizing the owner to claim
18 subsequent credit under certain circumstance;
19 limiting credit claimed in certain period; providing
20 for carry-forward of credit; requiring the Oklahoma
21 Tax Commission to administer certain provisions;
22 providing for codification; and providing an
23 effective date.

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

29 SECTION 1. NEW LAW A new section of law to be codified
30 in the Oklahoma Statutes as Section 2952 of Title 68, unless there
31 is created a duplication in numbering, reads as follows:

32 A. As used in this section, "owner" means the holder of the
33 subject real property.

1 B. There shall be allowed a credit against the ad valorem tax
2 liability of an owner, pursuant to Section 2915 of Title 68 of the
3 Oklahoma Statutes, if the government of a county, city, or
4 municipality follows a policy, pattern, or practice of declining to
5 enforce existing laws, ordinances, or other regulations against
6 illegal camping, obstruction of public thoroughfares, loitering,
7 panhandling, public urination or defecation, or public consumption
8 of alcoholic beverages or illegal substances, or if the local
9 government maintains a public nuisance involving camping, loitering,
10 and pollution, and:

11 1. The fair cash value of the real property of the owner is
12 reduced by this policy, pattern, practice, or public nuisance; or

13 2. The owner incurs expenses to mitigate the effects on the
14 private real property of this policy, pattern, practice, or public
15 nuisance.

16 C. The amount of credit allowed pursuant to subsection B of
17 this section shall be, at the election of the owner, equal to
18 either:

19 1. The reduction in fair cash value of the real property
20 resulting from the policy, pattern, practice, or public nuisance of
21 the local government; or

22 2. The expenses incurred by the owner that were reasonably
23 necessary to mitigate the effects on the real property of the
24 policy, pattern, practice, or public nuisance.

1 D. With respect to any county, city, or municipality for which
2 a credit is claimed pursuant to this section, the county treasurer
3 shall withhold from the distribution of monies pursuant to Section
4 2923 of Title 68 of the Oklahoma Statutes to the affected county,
5 city, or municipality the respective aggregate amount of credit
6 claimed pursuant to this section.

7 E. The credit provided for in this section shall not be allowed
8 for expenses or reductions in fair cash value resulting from:

9 1. Decisions by local authorities to exercise prosecutorial
10 discretion not to prosecute alleged offenders, if the decisions are
11 made on a case-by-case basis and the justification for each decision
12 is published on a monthly basis by the local authority;

13 2. An act of executive clemency;

14 3. Acts or omissions mandated by federal law; and

15 4. An act or omission taken pursuant to Section 683.9 of Title
16 63 of the Oklahoma Statutes.

17 F. For any challenge to a credit claimed pursuant to this
18 section, the county, city, or municipality shall bear the burden of
19 demonstrating that the actions taken are lawful or that the amount
20 of the credit claimed is unreasonable.

21 G. The owner shall not be required to submit any claim as a
22 prerequisite to demanding or receiving just compensation in the form
23 of a credit pursuant to this section.

1 H. If the policy, pattern, or practice remains in place after
2 the owner claims a credit pursuant to this section, the owner shall
3 be entitled to a subsequent tax credit in a following year pursuant
4 to the provisions of this section, unless the relevant government
5 entity and the owner reach a settlement or the government entity
6 ceases the policy, pattern, or practice, or abates the public
7 nuisance.

8 I. An owner may claim the credit provided pursuant to this
9 section no more than once per year.

10 J. If the amount of the credit allowed pursuant to this section
11 exceeds the tax liability of the owner, the amount of the credit not
12 used as an offset against the tax liability for that year may be
13 carried forward as a credit for ten (10) subsequent years.

14 K. The Oklahoma Tax Commission shall administer the provisions
15 of this section, including the furnishing of forms for submission of
16 a claim.

17 SECTION 2. This act shall become effective November 1, 2024.

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