

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 SENATE BILL 609

6 By: Coleman and Hall

7 COMMITTEE SUBSTITUTE

8 An Act relating to ad valorem tax; amending 68 O.S.  
9 2011, Section 2902, as last amended by Section 1,  
10 Chapter 258, O.S.L. 2019 (68 O.S. Supp. 2020, Section  
11 2902), which relates to exemption for manufacturing  
12 facilities; modifying definitions; adjusting certain  
13 investment requirement to inflation index; requiring  
14 the Oklahoma Tax Commission to publish certain  
15 adjustments; adjusting wage threshold; requiring  
16 wages exceed certain Quality Jobs Program Act  
17 requirements; authorizing the Oklahoma Tax Commission  
18 to request verification; removing exceptions for  
19 failure to meet certain payroll requirements;  
20 modifying certain classification; and providing an  
21 effective date.

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

23 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2902, as  
24 last amended by Section 1, Chapter 258, O.S.L. 2019 (68 O.S. Supp.  
2020, Section 2902), is amended to read as follows:

25 Section 2902. A. Except as otherwise provided by subsection H  
26 of Section 3658 of this title pursuant to which the exemption  
27 authorized by this section may not be claimed, a qualifying  
28 manufacturing concern, as defined by Section 6B of Article X of the

1 Oklahoma Constitution, and as further defined herein, shall be  
2 exempt from the levy of any ad valorem taxes upon new, expanded or  
3 acquired manufacturing facilities, including facilities engaged in  
4 research and development, for a period of five (5) years. The  
5 provisions of Section 6B of Article X of the Oklahoma Constitution  
6 requiring an existing facility to have been unoccupied for a period  
7 of twelve (12) months prior to acquisition shall be construed as a  
8 qualification for a facility to initially receive an exemption, and  
9 shall not be deemed to be a qualification for that facility to  
10 continue to receive an exemption in each of the four (4) years  
11 following the initial year for which the exemption was granted.  
12 Such facilities are hereby classified for the purposes of taxation  
13 as provided in Section 22 of Article X of the Oklahoma Constitution.

14 B. For purposes of this section, the following definitions  
15 shall apply:

16 1. "Manufacturing facilities" means facilities engaged in the  
17 mechanical or chemical transformation of materials or substances  
18 into new products and except as provided by paragraph 6 of  
19 subsection C of this section shall include:

20 a. establishments which have received a manufacturer  
21 exemption permit pursuant to the provisions of Section  
22 1359.2 of this title,  
23  
24

- 1           b.    facilities, including repair and replacement parts,  
2                    primarily engaged in aircraft repair, building and  
3                    rebuilding whether or not on a factory basis,
- 4           c.    establishments primarily engaged in computer services  
5                    and data processing as defined under Industrial Group  
6                    Numbers 5112 and 5415, and U.S. Industry Number 334611  
7                    and 519130 of the NAICS Manual, latest revision, and  
8                    which derive at least fifty percent (50%) of their  
9                    annual gross revenues from the sale of a product or  
10                   service to an out-of-state buyer or consumer, and as  
11                   defined under Industrial Group Number 5142 of the  
12                   NAICS Manual, latest revision, which derive at least  
13                   eighty percent (80%) of their annual gross revenues  
14                   from the sale of a product or service to an out-of-  
15                   state buyer or consumer. Eligibility as a  
16                   manufacturing facility pursuant to this subparagraph  
17                   shall be established, subject to review by the  
18                   Oklahoma Tax Commission, by annually filing an  
19                   affidavit with the Tax Commission stating that the  
20                   facility so qualifies and such other information as  
21                   required by the Tax Commission. For purposes of  
22                   determining whether annual gross revenues are derived  
23                   from sales to out-of-state buyers, all sales to the  
24

1 federal government shall be considered to be an out-  
2 of-state buyer,

3 d. ~~for which~~ facilities that the investment cost of the  
4 construction, acquisition or expansion ~~of the~~  
5 ~~manufacturing facility~~ is ~~Two Hundred Fifty Thousand~~  
6 ~~Dollars (\$250,000.00)~~ Five Hundred Thousand Dollars  
7 (\$500,000.00) or more with respect to assets placed  
8 into service during calendar year 2022. For  
9 subsequent calendar years, the investment required  
10 shall be increased annually by a percentage equal to  
11 the previous year's increase in the Consumer Price  
12 Index-All Urban Consumers ("CPI-U") and such adjusted  
13 amount shall be the required investment cost in order  
14 to qualify for the exemption authorized by this  
15 section. The Oklahoma Department of Commerce shall  
16 determine the amount of the increase, if any, on  
17 January 1 of each year. The Oklahoma Tax Commission  
18 shall publish on its website at least annually the  
19 adjusted dollar amount in order to qualify for the  
20 exemption authorized by this section and shall include  
21 the adjusted dollar amount in any of its relevant  
22 forms or publications with respect to the exemption.  
23 Provided, "investment cost" shall not include the cost  
24 of direct replacement, refurbishment, repair or

1 maintenance of existing machinery or equipment, except  
2 that "investment cost" shall include capital  
3 expenditures for direct replacement, refurbishment,  
4 repair or maintenance of existing machinery or  
5 equipment that qualifies for depreciation and/or  
6 amortization pursuant to the Internal Revenue Code of  
7 1986, as amended, and such expenditures shall be  
8 eligible as a part of an "expansion" that otherwise  
9 qualifies under this section, ~~and~~

10 e. establishments primarily engaged in distribution as  
11 defined under Industry Numbers 49311, 49312, 49313 and  
12 49319 and Industry Sector Number 42 of the NAICS  
13 Manual, latest revision, and which meet the following  
14 qualifications:

- 15 (1) construction with an initial capital investment  
16 of at least Five Million Dollars (\$5,000,000.00),
- 17 (2) employment of at least one hundred (100) full-  
18 time-equivalent employees, as certified by the  
19 Oklahoma Employment Security Commission,
- 20 (3) payment of wages or salaries to its employees at  
21 a wage which equals or exceeds ~~one hundred~~  
22 ~~seventy-five percent (175%) of the federally~~  
23 ~~mandated minimum wage, as certified by the~~  
24 ~~Oklahoma Employment Security Commission~~ the

1                   average wage requirements in the Oklahoma Quality  
2                   Jobs Program Act for the year in which the real  
3                   property was placed into service, and

4                   (4) commencement of construction on or after November  
5                   1, 2007, with construction to be completed within  
6                   three (3) years from the date of the commencement  
7                   of construction,

8                   f. facilities engaged in the manufacturing, compounding,  
9                   processing or fabrication of materials into articles  
10                   of tangible personal property according to the special  
11                   order of a customer (custom order manufacturing) by  
12                   manufacturers classified as operating in North  
13                   American Industry Classification System (NAICS)  
14                   Sectors 32 and 33, but does not include such custom  
15                   order manufacturing by manufacturers classified in  
16                   other NAICS code sectors, and

17                   g. with respect to any entity making an application for  
18                   the exemption authorized by this section on or after  
19                   January 1, 2022, the establishment making application  
20                   for exempt treatment of real or personal property  
21                   acquired or improved beginning January 1, 2022, and  
22                   for any calendar year thereafter, the entity shall be  
23                   required to pay new direct jobs, as defined by Section  
24                   3603 of this title for purposes of the Oklahoma

1           Quality Jobs Program Act, an average annualized wage  
2           which equals or exceeds the average wage requirement  
3           in the Oklahoma Quality Jobs Program Act for the year  
4           in which the real or personal property was placed into  
5           service. The Oklahoma Tax Commission may request  
6           verification from the Oklahoma Department of Commerce  
7           that an establishment seeking an exemption for real or  
8           personal property pays an average annualized wage that  
9           equals or exceeds the average wage requirement in  
10           effect for the year in which the real or personal  
11           property was placed into service.

12           Eligibility as a manufacturing facility pursuant to this  
13           subparagraph shall be established, subject to review by the Tax  
14           Commission, by annually filing an affidavit with the Tax Commission  
15           stating that the facility so qualifies and containing such other  
16           information as required by the Tax Commission.

17           Provided, eating and drinking places, as well as other retail  
18           establishments, shall not qualify as manufacturing facilities for  
19           purposes of this section, nor shall centrally assessed properties.

20           Eligibility as a manufacturing facility pursuant to this  
21           subparagraph shall be established, subject to review by the Tax  
22           Commission, by annually filing an application with the Tax  
23           Commission stating that the facility so qualifies and containing  
24           such other information as required by the Tax Commission;

1        2. "Facility" and "facilities", except as otherwise provided by  
2 this paragraph, means and includes the land, buildings, structures,  
3 and improvements used directly and exclusively in the manufacturing  
4 process. Effective January 1, 2022, and for each calendar year  
5 thereafter, for establishments which have received a manufacturer  
6 exemption permit pursuant to the provisions of Section 1359.2 of  
7 this title, or facilities engaged in manufacturing activities  
8 defined or classified in the NAICS Manual under Industry Nos. 311111  
9 through 339999, inclusive, but for no other establishments, facility  
10 and facilities means and includes the land, buildings, structures,  
11 improvements, machinery, fixtures, equipment and other personal  
12 property used directly and exclusively in the manufacturing process;  
13 and

14        3. "Research and development" means activities directly related  
15 to and conducted for the purpose of discovering, enhancing,  
16 increasing or improving future or existing products or processes or  
17 productivity.

18        C. The following provisions shall apply:

19        1. A manufacturing concern shall be entitled to the exemption  
20 herein provided for each new manufacturing facility constructed,  
21 each existing manufacturing facility acquired and the expansion of  
22 existing manufacturing facilities on the same site, as such terms  
23 are defined by Section 6B of Article X of the Oklahoma Constitution  
24 and by this section;



1           2. ~~Except as otherwise provided in paragraph 5 of this~~  
2 ~~subsection, no~~ No manufacturing concern shall receive more than one  
3 five-year exemption for any one manufacturing facility unless the  
4 expansion which qualifies the manufacturing facility for an  
5 additional five-year exemption meets the requirements of paragraph 4  
6 of this subsection and the employment level established for any  
7 previous exemption is maintained;

8           3. Any exemption as to the expansion of an existing  
9 manufacturing facility shall be limited to the increase in ad  
10 valorem taxes directly attributable to the expansion;

11           4. ~~Except as provided in paragraphs 5 and 6 of this subsection,~~  
12 ~~all~~ All initial applications for any exemption for a new, acquired  
13 or expanded manufacturing facility shall be granted only if:

- 14           a. there is a net increase in annualized base payroll  
15 over the initial payroll of at least Two Hundred Fifty  
16 Thousand Dollars (\$250,000.00) if the facility is  
17 located in a county with a population of fewer than  
18 seventy-five thousand (75,000), according to the most  
19 recent Federal Decennial Census, while maintaining or  
20 increasing base payroll in subsequent years, or at  
21 least One Million Dollars (\$1,000,000.00) if the  
22 facility is located in a county with a population of  
23 seventy-five thousand (75,000) or more, according to  
24 the most recent Federal Decennial Census, while

1 maintaining or increasing base payroll in subsequent  
2 years; provided the payroll requirement of this  
3 subparagraph shall be waived for claims for  
4 exemptions, including claims previously denied or on  
5 appeal on March 3, 2010, for all initial applications  
6 for exemption filed on or after January 1, 2004, and  
7 on or before March 31, 2009, and all subsequent annual  
8 exemption applications filed related to the initial  
9 application for exemption, for an applicant, if the  
10 facility has been located in Oklahoma for at least  
11 fifteen (15) years engaged in marine engine  
12 manufacturing as defined under U.S. Industry Number  
13 333618 of the NAICS Manual, latest revision, and has  
14 maintained an average employment of five hundred (500)  
15 or more full-time-equivalent employees over a ten-year  
16 period. Any applicant that qualifies for the payroll  
17 requirement waiver as outlined in the previous  
18 sentence and subsequently closes its Oklahoma  
19 manufacturing plant prior to January 1, 2012, may be  
20 disqualified for exemption and subject to recapture.  
21 For an applicant engaged in paperboard manufacturing  
22 as defined under U.S. Industry Number 322130 of the  
23 NAICS Manual, latest revision, union master payouts  
24 paid by the buyer of the facility to specified

1 individuals employed by the facility at the time of  
2 purchase, as specified under the purchase agreement,  
3 shall be excluded from payroll for purposes of this  
4 section.

5 In order to provide certainty with respect to  
6 investments in manufacturing facilities pertaining to  
7 all initial applications for exemption filed on or  
8 after January 1, 2016, the following definitions shall  
9 apply:

10 (1) "base payroll" shall mean total payroll adjusted  
11 for any nonrecurring bonuses, exercise of stock  
12 option or stock rights and other nonrecurring,  
13 extraordinary items included in total payroll,  
14 and

15 (2) "initial payroll" shall mean base payroll for the  
16 year immediately preceding the initial  
17 construction, acquisition or expansion.

18 The Tax Commission shall verify payroll information  
19 through the Oklahoma Employment Security Commission by  
20 using reports from the Oklahoma Employment Security  
21 Commission for the calendar year immediately preceding  
22 the year for which initial application is made for  
23 base-line payroll, which must be maintained or  
24 increased for each subsequent year; provided, a

1 manufacturing facility shall have the option of  
2 excluding from its payroll, for purposes of this  
3 section:

- 4 i. payments to sole proprietors, members  
5 of a partnership, members of a limited  
6 liability company who own at least ten  
7 percent (10%) of the capital of the  
8 limited liability company or  
9 stockholder-employees of a corporation  
10 who own at least ten percent (10%) of  
11 the stock in the corporation, and
- 12 ii. any nonrecurring bonuses, exercise of  
13 stock option or stock rights or other  
14 nonrecurring, extraordinary items  
15 included in total payroll numbers as  
16 reported by the Oklahoma Employment  
17 Security Commission. A manufacturing  
18 facility electing either option shall  
19 indicate such election upon its  
20 application for an exemption under this  
21 section. Any manufacturing facility  
22 electing either option shall submit  
23 such information as the Tax Commission  
24 may require in order to verify payroll

1 information. Payroll information  
2 submitted pursuant to the provisions of  
3 this paragraph shall be submitted to  
4 the Tax Commission and shall be subject  
5 to the provisions of Section 205 of  
6 this title, and

7 b. the facility offers, or will offer within one hundred  
8 eighty (180) days of the date of employment, a basic  
9 health benefits plan to the full-time-equivalent  
10 employees of the facility, which is determined by the  
11 Department of Commerce to consist of the elements  
12 specified in subparagraph b of paragraph 1 of  
13 subsection A of Section 3603 of this title or elements  
14 substantially equivalent thereto.

15 For purposes of this section, calculation of the amount of  
16 increased base payroll shall be measured from the start of initial  
17 construction or expansion to the completion of such construction or  
18 expansion or for three (3) years from the start of initial  
19 construction or expansion, whichever occurs first. The amount of  
20 increased base payroll shall include payroll for full-time-  
21 equivalent employees in this state who are employed by an entity  
22 other than the facility which has previously or is currently  
23 qualified to receive an exemption pursuant to the provisions of this  
24 section and who are leased or otherwise provided to the facility, if

1 such employment did not exist in this state prior to the start of  
2 initial construction or expansion of the facility. The  
3 manufacturing concern shall submit an affidavit to the Tax  
4 Commission, signed by an officer, stating that the construction,  
5 acquisition or expansion of the facility will result in a net  
6 increase in the annualized base payroll as required by this  
7 paragraph and that full-time-equivalent employees of the facility  
8 are or will be offered a basic health benefits plan as required by  
9 this paragraph. If, after the completion of such construction or  
10 expansion or after three (3) years from the start of initial  
11 construction or expansion, whichever occurs first, the construction,  
12 acquisition or expansion has not resulted in a net increase in the  
13 amount of annualized base payroll, if required, or any other  
14 qualification specified in this paragraph has not been met, the  
15 manufacturing concern shall pay an amount equal to the amount of any  
16 exemption granted, including penalties and interest thereon, to the  
17 Tax Commission for deposit to the Ad Valorem Reimbursement Fund;

18 ~~5. If a facility fails to meet the base payroll requirement of~~  
19 ~~subparagraph a of paragraph 4 of this subsection, the payroll~~  
20 ~~requirement shall be waived for claims for exemptions, including~~  
21 ~~claims previously denied or on appeal on June 1, 2009, for all~~  
22 ~~initial applications for exemption filed on or after January 1,~~  
23 ~~2004, and on or before March 31, 2009, and all subsequent annual~~

24

~~exemption applications filed related to such initial application for exemption, for an applicant, if the facility:~~

~~a. has been located for at least five (5) years as of March 31, 2009, in a county in Oklahoma with a population of six hundred thousand (600,000) or more,~~

~~b. is owned by an applicant that has been engaged in manufacturing as defined under U.S. Industry Numbers 323110, 323111, 323121 and 323122 of the NAICS Manual, latest revision,~~

~~c. is owned by an applicant that maintains a workforce of at least three hundred (300) employees on June 1, 2009,~~

~~d. is owned by an applicant that has filed multiple applications for exemption pursuant to this section, and~~

~~e. is owned by an applicant that operates at least one facility in this state of at least seven hundred thirty thousand (730,000) square feet on June 1, 2009.~~

~~In the event that any applicant obtaining a waiver of the payroll requirement pursuant to this paragraph ceases to operate all of its facilities in this state on or before a date that is four (4) years after any initial application for an exemption is filed by such applicant, all sums of property taxes exempted under this paragraph through a waiver of the payroll requirement that relate to such~~

1 ~~application shall become due and payable as if such sums were~~  
2 ~~assessed in the year in which the applicant ceases to operate all of~~  
3 ~~its facilities in the state;~~

4 ~~6. Any new, acquired or expanded automotive final assembly~~  
5 ~~manufacturing facility which does not meet the requirements of~~  
6 ~~paragraph 4 of this subsection shall be granted an exemption only if~~  
7 ~~all other requirements of this section are met and only if the~~  
8 ~~investment cost of the construction, acquisition or expansion of the~~  
9 ~~manufacturing facility is Three Hundred Million Dollars~~  
10 ~~(\$300,000,000.00) or more and the manufacturing facility retains an~~  
11 ~~average employment of one thousand seven hundred fifty (1,750) or~~  
12 ~~more full-time-equivalent employees in the year in which the~~  
13 ~~exemption is initially granted and in each of the four (4)~~  
14 ~~subsequent years only if an average employment of one thousand seven~~  
15 ~~hundred fifty (1,750) or more full-time-equivalent employees is~~  
16 ~~maintained in the subsequent year. Any property installed to~~  
17 ~~replace property damaged by the tornado or natural disaster that~~  
18 ~~occurred May 8, 2003, may continue to receive the exemption provided~~  
19 ~~in this paragraph for the full five-year period based on the value~~  
20 ~~of the previously qualifying assets as of January 1, 2003. The~~  
21 ~~exemption shall continue in effect as long as all other~~  
22 ~~qualifications in this paragraph are met. If the average employment~~  
23 ~~of one thousand seven hundred fifty (1,750) or more full-time-~~  
24 ~~equivalent employees is reduced as a result of temporary layoffs~~



1 ~~because of a tornado or natural disaster on May 8, 2003, then the~~  
2 ~~average employment requirement shall be waived for year 2003 of the~~  
3 ~~exemption period. Calculation of the number of employees shall be~~  
4 ~~made in the same manner as required under Section 2357.4 of this~~  
5 ~~title for an investment tax credit. As used in this paragraph,~~  
6 ~~"expand" and "expansion" shall mean and include any increase to the~~  
7 ~~size or scope of a facility as well as any renovation, restoration,~~  
8 ~~replacement or remodeling of a facility which permits the~~  
9 ~~manufacturing of a new or redesigned product;~~

10 7. Any new, acquired, or expanded computer data processing,  
11 data preparation, or information processing services provider  
12 classified in ~~Industrial Group Number 7374 of the SIC Manual, latest~~  
13 ~~revision,~~ and U.S. Industry Number ~~514210~~ 518210 of the North  
14 American Industrial Classification System (NAICS) Manual, ~~latest~~  
15 2017 revision, may apply for exemptions under this section for each  
16 year in which new, acquired, or expanded capital improvements to the  
17 facility are made if:

- 18 a. there is a net increase in annualized payroll of the  
19 applicant at any facility or facilities of the  
20 applicant in this state of at least Two Hundred Fifty  
21 Thousand Dollars (\$250,000.00), which is attributable  
22 to the capital improvements, or a net increase of  
23 Seven Million Dollars (\$7,000,000.00) or more in  
24 capital improvements, while maintaining or increasing

1 payroll at the facility or facilities in this state  
2 which are included in the application, and

- 3 b. the facility offers, or will offer within one hundred  
4 eighty (180) days of the date of employment of new  
5 employees attributable to the capital improvements, a  
6 basic health benefits plan to the full-time-equivalent  
7 employees of the facility, which is determined by the  
8 Department of Commerce to consist of the elements  
9 specified in subparagraph b of paragraph 1 of  
10 subsection A of Section 3603 of this title or elements  
11 substantially equivalent thereto;

12 ~~8.~~ 6. Effective January 1, 2017, an entity engaged in electric  
13 power generation by means of wind, as described by the North  
14 American Industry Classification System, No. 221119, shall not be  
15 defined as a qualifying manufacturing concern for purposes of the  
16 exemption otherwise authorized pursuant to Section 6B of Article X  
17 of the Oklahoma Constitution or qualify as a "manufacturing  
18 facility" as defined in this section. No initial application for  
19 exemption shall be filed by or accepted from an entity engaged in  
20 electric power generation by means of wind on or after January 1,  
21 2018; and

22 ~~9.~~ 7. An entity or applicant engaged in an industry as defined  
23 under U.S. Industry Number 324110 of the NAICS Manual, latest  
24 revision, which has applied for or been granted an exemption for a

1 time period which began on or after calendar year 2012 and before  
2 calendar year 2016 but which did not meet the payroll requirements  
3 of subparagraph a of paragraph 4 of this subsection because of  
4 nonrecurring bonuses, exercise of stock option or stock rights or  
5 other nonrecurring, extraordinary items included in total payroll in  
6 the previous year, shall be allowed an exemption, beginning with  
7 calendar year 2016, for the number of years, including the calendar  
8 year for which the exemption was denied, remaining in the entity's  
9 five-year exemption period, provided such entity attains or  
10 increases payroll at or above the initial or base payroll  
11 established for the exemption.

12 D. 1. Except as provided in paragraph 2 of this subsection,  
13 the five-year period of exemption from ad valorem taxes for any  
14 qualifying manufacturing facility property shall begin on January 1  
15 following the initial qualifying use of the property in the  
16 manufacturing process.

17 2. The five-year period of exemption from ad valorem taxes for  
18 any qualifying manufacturing facility, as specified in subparagraphs  
19 a and b of this paragraph, which is located within a tax incentive  
20 district created pursuant to the Local Development Act by a county  
21 having a population of at least five hundred thousand (500,000),  
22 according to the most recent Federal Decennial Census, shall begin  
23 on January 1 following the expiration or termination of the ad  
24 valorem exemption, abatement, or other incentive provided through

1 the tax incentive district. Facilities qualifying pursuant to this  
2 subsection shall include:

- 3 a. a manufacturing facility as defined in subparagraph c  
4 of paragraph 1 of subsection B of this section, and
- 5 b. an establishment primarily engaged in distribution as  
6 defined under Industry Number 49311 of the North  
7 American Industry Classification System for which the  
8 initial capital investment was at least One Hundred  
9 Eighty Million Dollars (\$180,000,000.00); provided,  
10 that the qualifying job creation and depreciable  
11 property investment occurred prior to calendar year  
12 2017 but not earlier than calendar year 2013.

13 E. Any person, firm or corporation claiming the exemption  
14 herein provided for shall file each year for which exemption is  
15 claimed, an application therefor with the county assessor of the  
16 county in which the new, expanded or acquired facility is located.  
17 The application shall be on a form or forms prescribed by the Tax  
18 Commission, and shall be filed on or before March 15, except as  
19 provided in Section 2902.1 of this title, of each year in which the  
20 facility desires to take the exemption or within thirty (30) days  
21 from and after receipt by such person, firm or corporation of notice  
22 of valuation increase, whichever is later. In a case where  
23 completion of the facility or facilities will occur after January 1  
24 of a given year, a facility may apply to claim the ad valorem tax

1 exemption for that year. If such facility is found to be qualified  
2 for exemption, the ad valorem tax exemption provided for herein  
3 shall be granted for that entire year and shall apply to the ad  
4 valorem valuation as of January 1 of that given year. For  
5 applicants which qualify under the provisions of subparagraph b of  
6 paragraph 1 of subsection B of this section, the application shall  
7 include a copy of the affidavit and any other information required  
8 to be filed with the Tax Commission.

9 F. The application shall be examined by the county assessor and  
10 approved or rejected in the same manner as provided by law for  
11 approval or rejection of claims for homestead exemptions. The  
12 taxpayer shall have the same right of review by and appeal from the  
13 county board of equalization, in the same manner and subject to the  
14 same requirements as provided by law for review and appeals  
15 concerning homestead exemption claims. Approved applications shall  
16 be filed by the county assessor with the Tax Commission no later  
17 than June 15, except as provided in Section 2902.1 of this title, of  
18 the year in which the facility desires to take the exemption.  
19 Incomplete applications and applications filed after June 15 will be  
20 declared null and void by the Tax Commission. In the event that a  
21 taxpayer qualified to receive an exemption pursuant to the  
22 provisions of this section shall make payment of ad valorem taxes in  
23 excess of the amount due, the county treasurer shall have the  
24 authority to credit the taxpayer's real or personal property tax

1 overpayment against current taxes due. The county treasurer may  
2 establish a schedule of up to five (5) years of credit to resolve  
3 the overpayment.

4 G. Nothing herein shall in any manner affect, alter or impair  
5 any law relating to the assessment of property, and all property,  
6 real or personal, which may be entitled to exemption hereunder shall  
7 be valued and assessed as is other like property and as provided by  
8 law. The valuation and assessment of property for which an  
9 exemption is granted hereunder shall be performed by the Tax  
10 Commission.

11 H. The Tax Commission shall have the authority and duty to  
12 prescribe forms and to promulgate rules as may be necessary to carry  
13 out and administer the terms and provisions of this section.

14 SECTION 2. This act shall become effective November 1, 2021.

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