

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

SENATE BILL 689

By: Hall

AS INTRODUCED

An Act relating to ad valorem tax; amending 68 O.S. 2021, Section 2902, as last amended by Section 1, Chapter 390, O.S.L. 2022 (68 O.S. Supp. 2024, Section 2902), which relates to the exemption from ad valorem tax for manufacturing facilities; modifying payroll requirement for certain industry; modifying definitions; defining terms; prescribing certain payroll calculation; prescribing application of certain amendments; requiring the Oklahoma Tax Commission to rescind certain denial and determination upon request; updating statutory language; and declaring an emergency.

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

SECTION 1. AMENDATORY 68 O.S. 2021, Section 2902, as last amended by Section 1, Chapter 390, O.S.L. 2022 (68 O.S. Supp. 2024, Section 2902), is amended to read as follows:

Section 2902. A. Except as otherwise provided by subsection H of Section 3658 of this title pursuant to which the exemption authorized by this section may not be claimed, a qualifying manufacturing concern, as defined by Section 6B of Article X of the Oklahoma Constitution, and as further defined herein, shall be exempt from the levy of any ad valorem taxes upon new, expanded or

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

12 B. For purposes of this section, the following definitions  
13 shall apply:

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

- 18 a. establishments which have received a manufacturer  
19 exemption permit pursuant to the provisions of Section  
20 1359.2 of this title,
- 21 b. facilities including repair and replacement parts,  
22 primarily engaged in aircraft repair, building and  
23 rebuilding whether or not on a factory basis,

1 c. establishments primarily engaged in computer services  
2 and data processing as defined under Industrial Group  
3 Numbers 5112 and 5415, and U.S. Industry Number 334611  
4 and 519130 of the NAICS Manual, latest revision, and  
5 which derive at least fifty percent (50%) of their  
6 annual gross revenues from the sale of a product or  
7 service to an out-of-state buyer or consumer, and as  
8 defined under Industrial Group Number 5182 of the  
9 NAICS Manual, latest revision, which derive at least  
10 eighty percent (80%) of their annual gross revenues  
11 from the sale of a product or service to an out-of-  
12 state buyer or consumer. Eligibility as a  
13 manufacturing facility pursuant to this subparagraph  
14 shall be established, subject to review by the  
15 Oklahoma Tax Commission, by annually filing an  
16 affidavit with the Tax Commission stating that the  
17 facility so qualifies and such other information as  
18 required by the Tax Commission. For purposes of  
19 determining whether annual gross revenues are derived  
20 from sales to out-of-state buyers, all sales to the  
21 federal government shall be considered to be an out-  
22 of-state buyer,

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

1 Code of 1986, as amended, and such expenditures shall  
2 be eligible as a part of an ~~"expansion"~~ expansion that  
3 otherwise qualifies under this section,

4 e. establishments primarily engaged in distribution as  
5 defined under Industry Numbers 49311, 49312, 49313 and  
6 49319 and Industry Sector Number 42 of the NAICS  
7 Manual, latest revision, and which meet the following  
8 qualifications:

- 9 (1) construction with an initial capital investment  
10 of at least Five Million Dollars (\$5,000,000.00),  
11 (2) employment of at least one hundred (100) full-  
12 time-equivalent employees, as certified by the  
13 Oklahoma Employment Security Commission,  
14 (3) payment of wages or salaries to its employees at  
15 a wage which equals or exceeds the average wage  
16 requirements in the Oklahoma Quality Jobs Program  
17 Act for the year in which the real property was  
18 placed into service, and  
19 (4) commencement of construction on or after November  
20 1, 2007, with construction to be completed within  
21 three (3) years from the date of the commencement  
22 of construction,

23 f. facilities engaged in the manufacturing, compounding,  
24 processing or fabrication of materials into articles  
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1 of tangible personal property according to the special  
2 order of a customer (custom order manufacturing) by  
3 manufacturers classified as operating in North  
4 American Industry Classification System (NAICS)  
5 Sectors 32 and 33, but does not include such custom  
6 order manufacturing by manufacturers classified in  
7 other NAICS code sectors, and

8 g. with respect to any entity making an application for  
9 the exemption authorized by this section on or after  
10 January 1, 2023, the establishment making application  
11 for exempt treatment of real or personal property  
12 acquired or improved beginning January 1, 2022, and  
13 for any calendar year thereafter, the entity shall be  
14 required to pay new direct jobs, as defined by Section  
15 3603 of this title for purposes of the Oklahoma  
16 Quality Jobs Program Act, an average annualized wage  
17 which equals or exceeds the average wage requirement  
18 in the Oklahoma Quality Jobs Program Act for the year  
19 in which the real or personal property was placed into  
20 service. The Oklahoma Tax Commission may request  
21 verification from the Oklahoma Department of Commerce  
22 that an establishment seeking an exemption for real or  
23 personal property pays an average annualized wage that  
24 equals or exceeds the average wage requirement in

1 effect for the year in which the real or personal  
2 property was placed into service. For purposes of  
3 this subparagraph, it shall not be necessary for the  
4 establishment to qualify for incentive payments  
5 pursuant to the Oklahoma Quality Jobs Program Act, but  
6 the establishment shall be subject to the wage  
7 requirements of the Oklahoma Quality Jobs Program Act  
8 with respect to new direct jobs in order to qualify  
9 for the exempt treatment authorized by this section.

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

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

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

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

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

16 C. The following provisions shall apply:

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

23 2. No manufacturing concern shall receive more than one five-  
24 year exemption for any one manufacturing facility unless the  
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1 expansion which qualifies the manufacturing facility for an  
2 additional five-year exemption meets the requirements of paragraph 4  
3 of this subsection and the employment level established for any  
4 previous exemption is maintained;

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

8 4. All initial applications for any exemption for a new,  
9 acquired or expanded manufacturing facility shall be granted only  
10 if:

- 11 a. there is a net increase in annualized base payroll, or  
12 for establishments primarily engaged in computer  
13 services and data processing as defined under  
14 Industrial Group Number 5182 of the NAICS Manual,  
15 latest revision, with not less than One Billion  
16 Dollars (\$1,000,000,000.00) in existing capital  
17 expenditures in the county in which the facility or  
18 facilities are located, there is a net increase in  
19 annual payroll, as defined in subparagraph c of  
20 paragraph 5 of this subsection, over the initial  
21 payroll of at least Two Hundred Fifty Thousand Dollars  
22 (\$250,000.00) if the facility is located in a county  
23 with a population of fewer than seventy-five thousand  
24 (75,000), according to the most recent Federal

1 Decennial Census, while maintaining or increasing base  
2 payroll in subsequent years, or at least One Million  
3 Dollars (\$1,000,000.00) if the facility is located in  
4 a county with a population of seventy-five thousand  
5 (75,000) or more, according to the most recent Federal  
6 Decennial Census, while maintaining or increasing base  
7 payroll in subsequent years; provided, the payroll  
8 requirement of this subparagraph shall be waived for  
9 claims for exemptions including claims previously  
10 denied or on appeal on March 3, 2010, for all initial  
11 applications for exemption filed on or after January  
12 1, 2004, and on or before March 31, 2009, and all  
13 subsequent annual exemption applications filed related  
14 to the initial application for exemption, for an  
15 applicant, if the facility has been located in  
16 Oklahoma for at least fifteen (15) years engaged in  
17 marine engine manufacturing as defined under U.S.  
18 Industry Number 333618 of the NAICS Manual, latest  
19 revision, and has maintained an average employment of  
20 five hundred (500) or more full-time-equivalent  
21 employees over a ten-year period. Any applicant that  
22 qualifies for the payroll requirement waiver as  
23 outlined in the previous sentence and subsequently  
24 closes its Oklahoma manufacturing plant prior to

1 January 1, 2012, may be disqualified for exemption and  
2 subject to recapture. For an applicant engaged in  
3 paperboard manufacturing as defined under U.S.  
4 Industry Number 322130 of the NAICS Manual, latest  
5 revision, union master payouts paid by the buyer of  
6 the facility to specified individuals employed by the  
7 facility at the time of purchase, as specified under  
8 the purchase agreement, shall be excluded from payroll  
9 for purposes of this section.

10 In order to provide certainty with respect to  
11 investments in manufacturing facilities pertaining to  
12 all initial applications for exemption filed on or  
13 after January 1, 2016, the following definitions shall  
14 apply:

- 15 (1) except as otherwise provided in subparagraph c of  
16 paragraph 5 of this subsection, "base payroll"  
17 shall mean total payroll adjusted for any  
18 nonrecurring bonuses, exercise of stock option or  
19 stock rights and other nonrecurring,  
20 extraordinary items included in total payroll,  
21 and  
22 (2) except as otherwise provided in subparagraph c of  
23 paragraph 5 of this subsection, "initial payroll"  
24 shall mean base payroll for the year immediately  
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1 preceding the initial construction, acquisition,  
2 or expansion.

3 The Tax Commission shall verify payroll  
4 information through the Oklahoma Employment  
5 Security Commission by using reports from the  
6 Oklahoma Employment Security Commission for the  
7 calendar year immediately preceding the year for  
8 which initial application is made for base-line  
9 payroll, which must be maintained or increased  
10 for each subsequent year; provided, a  
11 manufacturing facility shall have the option of  
12 excluding from its payroll, for purposes of this  
13 section:

- 14 i. payments to sole proprietors, members  
15 of a partnership, members of a limited  
16 liability company who own at least ten  
17 percent (10%) of the capital of the  
18 limited liability company or  
19 stockholder-employees of a corporation  
20 who own at least ten percent (10%) of  
21 the stock in the corporation, and
- 22 ii. any nonrecurring bonuses, exercise of  
23 stock option or stock rights or other  
24 nonrecurring, extraordinary items

1 included in total payroll numbers as  
2 reported by the Oklahoma Employment  
3 Security Commission. A manufacturing  
4 facility electing either option shall  
5 indicate such election upon its  
6 application for an exemption under this  
7 section. Any manufacturing facility  
8 electing either option shall submit  
9 such information as the Tax Commission  
10 may require in order to verify payroll  
11 information. Payroll information  
12 submitted pursuant to the provisions of  
13 this paragraph shall be submitted to  
14 the Tax Commission and shall be subject  
15 to the provisions of Section 205 of  
16 this title, and

- 17 b. the facility offers, or will offer within one hundred  
18 eighty (180) days of the date of employment, a basic  
19 health benefits plan to the full-time-equivalent  
20 employees of the facility, which is determined by the  
21 Oklahoma Department of Commerce to consist of the  
22 elements specified in subparagraph b of paragraph 1 of  
23 subsection A of Section 3603 of this title or elements  
24 substantially equivalent thereto.

1 For purposes of this section, calculation of the amount of  
2 increased base payroll, or annual payroll for initial and renewal  
3 applications for exemptions filed on or after January 1, 2019, by  
4 establishments primarily engaged in computer services and data  
5 processing as defined under Industrial Group Number 5182 of the  
6 NAICS Manual, latest revision, with not less than One Billion  
7 Dollars (\$1,000,000,000.00) in existing capital expenditures in the  
8 county in which the facility or facilities are located, shall be  
9 measured from the start of initial construction or expansion to the  
10 completion of such construction or expansion or for three (3) years  
11 from the start of initial construction or expansion, whichever  
12 occurs first. The amount of increased base or annual payroll shall  
13 include payroll for full-time-equivalent employees in this state who  
14 are employed by an entity other than the facility which has  
15 previously or is currently qualified to receive an exemption  
16 pursuant to the provisions of this section and who are leased or  
17 otherwise provided to the facility, if such employment did not exist  
18 in this state prior to the start of initial construction or  
19 expansion of the facility. The manufacturing concern shall submit  
20 an affidavit to the Tax Commission, signed by an officer, stating  
21 that the construction, acquisition or expansion of the facility will  
22 result in a net increase in the annualized base payroll or annual  
23 payroll as required by this paragraph and that full-time-equivalent  
24 employees of the facility are or will be offered a basic health

1 benefits plan as required by this paragraph. If, after the  
2 completion of such construction or expansion or after three (3)  
3 years from the start of initial construction or expansion, whichever  
4 occurs first, the construction, acquisition or expansion has not  
5 resulted in a net increase in the amount of annualized base payroll,  
6 if required, or any other qualification specified in this paragraph  
7 has not been met, the manufacturing concern shall pay an amount  
8 equal to the amount of any exemption granted including penalties and  
9 interest thereon, to the Tax Commission for deposit to the Ad  
10 Valorem Reimbursement Fund;

11 5. a. Except as otherwise provided by this paragraph, any  
12 new, acquired or expanded computer data processing,  
13 data preparation or information processing services  
14 provider classified in U.S. Industry Number 518210 of  
15 the North American Industrial Classification System  
16 (NAICS) Manual, 2017 revision, may apply for  
17 exemptions under this section for each year in which  
18 new, acquired, or expanded capital improvements to the  
19 facility are made for assets placed in service not  
20 later than December 31, 2021, if:

21 ~~a.~~ (1) there is a net increase in annualized  
22 payroll or annual payroll of the applicant at any  
23 facility or facilities of the applicant in this  
24 state of at least Two Hundred Fifty Thousand  
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Dollars (\$250,000.00), which is attributable to the capital improvements, while maintaining or increasing base payroll, or a net increase of Seven Million Dollars (\$7,000,000.00) or more in capital improvements, while maintaining or increasing payroll or initial payroll at the facility or facilities in this state which are included in the application, and

~~b.~~ (2) the facility offers, or will offer within one hundred eighty (180) days of the date of employment of new employees attributable to the capital improvements, a basic health benefits plan to the full-time-equivalent employees of the facility, which is determined by the Oklahoma Department of Commerce to consist of the elements specified in subparagraph b of paragraph 1 of subsection A of Section 3603 of this title or elements substantially equivalent thereto~~.,~~

b. An establishment described by this paragraph, the primary business activity of which is described by Industry No. 518210 of the North American Industry Classification System (NAICS) Manual, 2017 revision, that has applied for and been granted an exemption for personal property at any time within five (5) years



1 prior to November 1, 2021, may apply for exemptions  
2 for items of eligible personal property to be located  
3 within improvements to real property and such real  
4 property and improvements having been exempt from ad  
5 valorem taxation prior to November 1, 2021, pursuant  
6 to the provisions of this section if such personal  
7 property is placed in service not later than December  
8 31, 2036. No additional personal property of such  
9 establishment placed in service after such date shall  
10 qualify for the exempt treatment otherwise authorized  
11 pursuant to this paragraph,

12 c. For all initial and renewal applications for exemption  
13 filed on or after January 1, 2019, by establishments  
14 primarily engaged in computer services and data  
15 processing as defined under Industrial Group Number  
16 5182 of the NAICS Manual, latest revision, with not  
17 less than One Billion Dollars (\$1,000,000,000.00) in  
18 existing capital expenditures in the county in which  
19 the facility or facilities are located, the following  
20 definitions shall apply:

21 (1) "annual payroll" means total payroll adjusted for  
22 any nonrecurring bonuses, exercise of stock  
23 option or stock rights, and other nonrecurring,  
24 extraordinary items included in total payroll,

1           (2) "initial payroll" means the average annual  
2           payroll for the three (3) years immediately  
3           preceding the initial construction, acquisition,  
4           or expansion, and

5           (3) "base payroll" means initial payroll plus  
6           \$250,000.00 if the facility is located in a  
7           county with a population of fewer than seventy-  
8           five thousand (75,000), or initial payroll plus  
9           One Million Dollars (\$1,000,000.00) if the  
10           facility is located in a county with a population  
11           of seventy-five thousand (75,000) or more  
12           according to the latest Federal Decennial Census,

13       d. The Tax Commission shall verify the annual payroll,  
14       initial payroll, and base payroll, as defined in this  
15       paragraph, information through the Oklahoma Employment  
16       Security Commission by using reports from the Oklahoma  
17       Employment Security Commission, and

18       e. The amendments to this section made upon the effective  
19       date of this act shall apply to all initial and  
20       renewal applications submitted in the year 2024 and  
21       prospectively, including without limitation any  
22       renewal application relating to property for which an  
23       initial or renewal application in a previous year was  
24       denied so long as the property would have qualified

1           for the exemption in that previous year under the  
2           amendments to this section upon the effective date of  
3           this act if the amendments applied in that year;  
4           provided, however, the amendments shall not apply to  
5           any application submitted by an establishment in the  
6           year 2024 if the application of the amendments would  
7           invalidate an exemption under this section for which  
8           the manufacturing concern qualified on the effective  
9           date of this act. The Tax Commission or county  
10          assessor, as applicable, is hereby directed, upon  
11          request, to rescind the following:

12          (1) any application denial, or

13          (2) any determination that an exemption was  
14          erroneously or unlawfully granted in the year  
15          2024 that is inconsistent with this subparagraph;

16          6. Effective January 1, 2017, an entity engaged in electric  
17 power generation by means of wind, as described by the North  
18 American Industry Classification System, No. 221119, shall not be  
19 defined as a qualifying manufacturing concern for purposes of the  
20 exemption otherwise authorized pursuant to Section 6B of Article X  
21 of the Oklahoma Constitution or qualify as a ~~"manufacturing~~  
22 ~~facility"~~ manufacturing facility as defined in this section. No  
23 initial application for exemption shall be filed by or accepted from  
24  
25

1 an entity engaged in electric power generation by means of wind on  
2 or after January 1, 2018;

3 7. An entity or applicant engaged in an industry as defined  
4 under U.S. Industry Number 324110 of the NAICS Manual, latest  
5 revision, which has applied for or been granted an exemption for a  
6 time period which began on or after calendar year 2012 and before  
7 calendar year 2016 but which did not meet the payroll requirements  
8 of subparagraph a of paragraph 4 of this subsection because of  
9 nonrecurring bonuses, exercise of stock option or stock rights or  
10 other nonrecurring, extraordinary items included in total payroll in  
11 the previous year, shall be allowed an exemption, beginning with  
12 calendar year 2016, for the number of years including the calendar  
13 year for which the exemption was denied, remaining in the entity's  
14 five-year exemption period, provided such entity attains or  
15 increases payroll at or above the initial or base payroll  
16 established for the exemption;

17 8. A facility engaged in manufacturing defined under U.S.  
18 Industry Number 327310 of the NAICS Manual shall have the payroll  
19 requirements of paragraph 4 of this subsection waived for tax year  
20 2021, which is based in part on the 2020 calendar year payroll  
21 reported to the Oklahoma Employment Security Commission, and may  
22 continue to receive the exemption for the five-year period provided  
23 in this section only if all other requirements of this section are  
24 met; and

1        9. A facility engaged in manufacturing which otherwise  
2 qualifies for the exemption or exemptions pursuant to the provisions  
3 of this section shall have the payroll requirements of paragraph 4  
4 of this subsection waived for tax year 2021, which is based in part  
5 on the 2020 calendar year payroll reported to the Oklahoma  
6 Employment Security Commission, and for tax year 2022, which is  
7 based in part on the 2021 calendar year payroll reported to the  
8 Oklahoma Employment Security Commission, and may continue to receive  
9 the exemption for the five-year period provided in this section only  
10 if all other requirements of this section are met.

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

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

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 who 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 using one or more of the cost, income and expense and  
11 sales comparison approaches to estimate fair cash value in  
12 accordance with the Uniform Standards of Professional Appraisal  
13 Practice.

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

17 SECTION 2. It being immediately necessary for the preservation  
18 of the public peace, health or safety, an emergency is hereby  
19 declared to exist, by reason whereof this act shall take effect and  
20 be in full force from and after its passage and approval.

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22 60-1-1278 QD 1/14/2025 10:34:01 PM  
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