

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 COMMITTEE SUBSTITUTE  
FOR  
4 SENATE BILL 1114

By: Woods

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6 COMMITTEE SUBSTITUTE

7 An Act relating to ad valorem tax; directing the  
8 Secretary of State to refer to the people for their  
approval or rejection a proposed amendment to Section  
9 8C of Article X of the Oklahoma Constitution;  
providing credit for owners of property that qualify  
10 for certain limitation on the growth of fair cash  
value; stipulating credit amount; prescribing  
procedures to claim credit; requiring assessor to  
11 deduct credit amount from certain ad valorem tax  
liability; prohibiting refundability of credit;  
12 updating references; providing ballot title; and  
directing filing.

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

16 SECTION 1. The Secretary of State shall refer to the people for  
17 their approval or rejection, as and in the manner provided by law,  
18 the following proposed amendment to Section 8C of Article X of the  
19 Oklahoma Constitution to read as follows:

20 Section 8C. A. Despite any provision to the contrary,  
beginning January 1, 2005, the fair cash value, as determined by  
21 law, on each homestead of an individual head of household whose  
22 gross household income from all sources for the preceding calendar  
23 year did not exceed an amount as provided in subsection B of this

1 section, and which individual head of household is sixty-five (65)  
2 years of age or older, shall not exceed the fair cash value placed  
3 upon the property during the first year in which the individual head  
4 of household was sixty-five (65) years of age or older and had gross  
5 household income from all sources which did not exceed an amount as  
6 provided in subsection B of this section. Subject to the  
7 limitations of this section, the fair cash value shall not exceed  
8 such amount as long as the individual head of household who is  
9 sixty-five (65) years of age or older owns and occupies the property  
10 and as long as the gross household income from all sources does not  
11 exceed an amount as provided in subsection B of this section. If  
12 any improvements are made to the property, the fair cash value of  
13 the improvements shall be assessed in accordance with law by the  
14 county assessor and added to the assessed value of the property.  
15 Once the fair cash value of the improvements has been added to the  
16 fair cash value of the property, the total fair cash value shall not  
17 exceed the revised valuation of the property so long as the  
18 individual head of household who is sixty-five (65) years of age or  
19 older owns and occupies the property and so long as the gross  
20 household income from all sources does not exceed an amount as  
21 provided in subsection B of this section. For any individual head  
22 of household who is sixty-five (65) years of age or older prior to  
23 January 1, 1997, and has gross household income from all sources of  
24 Twenty-five Thousand Dollars (\$25,000.00) or less in calendar year

1   1996, the fair cash value of the real property shall be the fair  
2   cash value placed upon the property on January 1, 1997. If the  
3   individual head of household ceases to own and occupy the property  
4   or if the gross household income from all sources exceeds an amount  
5   as provided in subsection B of this section, the fair cash value of  
6   the property shall be determined as if the provisions of Section 8  
7   of Article X this article of the Oklahoma Constitution of the State  
8   of Oklahoma or any other provisions relating to a limitation on the  
9   fair cash value of locally assessed real property had been in effect  
10   during the time the property was valued pursuant to the provisions  
11   of this section.

12       B. The income threshold for the gross household income from all  
13   sources for an individual head of household under subsection A of  
14   this section shall not exceed the amount determined by the United  
15   States Department of Housing and Urban Development to be the  
16   estimated median income for the preceding year for the county or  
17   metropolitan statistical area which includes such county. The  
18   Oklahoma Tax Commission shall provide such information to each  
19   county assessor each year as soon as such information becomes  
20   available.

21       C. For tax years 2026 and subsequent tax years, there shall be  
22   allowed a credit against the ad valorem tax levied pursuant to this  
23   article of the Oklahoma Constitution for owners of a homestead that  
24   qualify for the limitation on the increase of fair cash value

1 pursuant to subsection A of this section in an amount equal to the  
2 difference between the ad valorem tax liability of the property  
3 owner for the homestead property of the prior tax year and the ad  
4 valorem tax liability for the homestead property in the tax year in  
5 which the property owner first qualified for the limitation on the  
6 increase of fair cash value pursuant to subsection A of this  
7 section. Provided, if the ad valorem tax liability of the property  
8 owner for the homestead property in the tax year in which the  
9 property owner first qualified for the limitation on the increase of  
10 fair cash value pursuant to subsection A of this section exceeds the  
11 ad valorem tax liability of the property for the homestead property  
12 in the prior tax year, there shall be no credit allowed.

13 D. The credit authorized pursuant to subsection C of this  
14 section shall be claimed on a form prescribed by the county assessor  
15 for the county in which the homestead is located no later than  
16 October 1 of each tax year. The county assessor shall deduct  
17 qualifying claims for credit from the tax liability of the property  
18 owner.

19 E. The credit claimed pursuant to subsection C of this section  
20 shall not be used to reduce the ad valorem tax liability of the  
21 property owner to less than zero (0).

22 SECTION 2. The Ballot Title for the proposed Constitutional  
23 amendment as set forth in SECTION 1 of this act shall be in the  
24 following form:

BALLOT TITLE

Legislative Referendum No. \_\_\_\_\_ State Question No. \_\_\_\_\_

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends Section 8C of Article 10 of the Oklahoma Constitution. The measure provides a property tax credit on the homestead of an individual head of household who is at least sixty-five years of age and qualifies for the limitation on the growth of fair cash value. The property tax credit would be equal to the difference between the property owner's current property tax liability for the homestead and the property tax liability of the homestead the year in which the homestead first qualified for the limitation on fair cash value. This ensures that the property tax liability does not increase on the homestead so long as the homestead qualifies.

## SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL — YES

## AGAINST THE PROPOSAL – NO

### SECTION 3. The President Pro Tempore of the

ediatly after the passage of this act, prepare and file one copy  
hereof, including the Ballot Title set forth in SECTION 2 hereof,  
in the Secretary of State and one copy with the Attorney General.

60-1-1796

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