

OKLAHOMA TAX COMMISSION

AD VALOREM DIVISION
JEFF SPELMAN, CAE, DIRECTOR
PHONE (405) 319-8200

POST OFFICE BOX 269060
OKLAHOMA CITY, OK 73126-9060
FACSIMILE (405) 521-0166



Dear Tax Representative:

Enclosed are forms to be used in reporting information relative to your company for Ad Valorem valuation purposes for the year 2011, or you may wish to utilize those forms presented in a fillable format at the Oklahoma Tax Commission website (www.tax.ok.gov) in the Ad Valorem section. It is requested that all forms be completed and returned to our office in a timely manner, thereby facilitating a fair valuation of your company. All data must be submitted in the format indicated by the enclosed forms. ***Any supplemental information provided by the company must have the company name on each page.***

Failure or refusal to provide proper information in a timely manner could result in an arbitrary valuation based on the best information available, and the application of those penalties as provided by statute. Returns will not be considered filed if not completed in full.

The filing deadline is **April 15**. A 15-day extension to **April 30** can be granted if a written request showing good cause is submitted on or before April 15th.

Please forward your returns to:

Oklahoma Tax Commission
Ad Valorem Division
Attn: Mike Isbell, Administrator
P. O. Box 269060
Oklahoma City, OK 73126-9060

If you have any questions regarding these forms, please do not hesitate to contact us at (405) 319-8200 or Fax number (405) 521-0166 between the hours of 7:30 a.m. and 4:30 p.m., Monday through Friday.

Yours very truly,

OKLAHOMA TAX COMMISSION

Administrator, Public Service Section
Ad Valorem Division



MEMBER

OKLAHOMA TAX COMMISSION

AD VALOREM DIVISION

PUBLIC SERVICE SECTION

*** * INSTRUCTIONS * ***

FOR FILING

2011

**AIR CARRIER, RAILROAD
AND PUBLIC SERVICE COMPANY**

AD VALOREM TAX RETURN

GENERAL INSTRUCTIONS

For full consideration during the valuation process, all items, including supplemental data, must be completed and returned to this office on or before the due date. A failure or refusal to file a completed return could result in an arbitrary valuation based on the best information available, and the application of those penalties as provided by statute. For proper reporting, all data items must be submitted on the enclosed forms. Return all forms even if nothing is reported thereon.

Page i presents the Table of Contents for the reporting forms, followed by statutory notice providing authority and penalty provisions for noncompliance, and filing or mailing instructions. Each form or worksheet is described by its intended content, what follows are instruction for their completion.

1. **The affidavit** must be notarized and have the original signature of someone able to acknowledge the data submitted to be fully and correctly given.
2. **Forms 902-2 through 902-6** request company and contact information, operational and regulatory information, an exempt property worksheet (902-4) for the respondent to provide notice of property where an in lieu of tax payment is made, mapping guidelines (902-5) for your industry, and a state allocation worksheet (902-6) requesting original cost and accumulated depreciation totals for Oklahoma and the other states where the filing company has property. The original cost numbers from the 902-6 worksheet (State Allocation) should be forwarded to Form 903 (Property Allocation). **Any operational changes are to be outlined on Form 902-2 (Taxpayer Information).**
3. **Form 903** requests those factors necessary to determine the proper allocation of value to the state of Oklahoma. Information should correspond with that included in Forms 902-4 (Exempt Property) and 902-6 (State Allocation) for the System and Oklahoma.
4. **The 904 forms** request the financial information of the reporting company, that being balance sheet and income statement information, debt and capital stock information, parent/reporting company allocation, construction work in progress, cash flow information, and the Oklahoma rendered fair cash value (respondents estimate of value). The data requested can be extracted from regulatory reports. Non-regulated respondents must relate these accounts to their respective accounting system. **All financial and accounting data must be reported on a system basis. Submission of only Oklahoma data is not acceptable unless reporting company operates entirely in Oklahoma.**
5. Capital stock price information should be stated on a per-share basis. If the respondent is a subsidiary company, report parent company name and its traded monthly high/low price per share for the calendar year preceding the assessment date. Shares outstanding should reflect shares held by the public and should not include unissued, reacquired or treasury stock. The allocation data for capital stock requires four factors: Gross Revenue, Net Income, Gross Assets, and Total (Net) Assets, these factors require completion when the respondent is a subsidiary company and the parent company has traded stock. Gross Assets are computed by adding accrued depreciation to Total (Net) Assets and Net Income should

reflect income before extraordinary items. Total (Net) Assets can be found at the bottom of the asset portion on the balance sheet.

6. Construction work in progress portion of the 904 should itemize cwip based on its expected completion.
7. **Form 913-D** should be filed singularly and with the information requested on each form (see instructions). Descriptions should be complete enough for county officials to be able to determine the properties location and its content, no acronyms. No more than one county per page. Form 913-D is a required form for all centrally valued companies and is to be completed annually.
8. **Form 913-DV** will mirror Form 913-D with the exception of the request for original cost of all taxable property by jurisdiction. It should be filed singularly and with the information requested on each form (see instructions). Descriptions should be complete enough for county officials to be able to determine the properties location and its content, no acronyms. No more than one county per page. Form 913-DV is a required form for all centrally valued companies and is to be completed annually.

Instructions for Reporting Property Distribution / County Detail

In Oklahoma, the distribution, or apportionment of value for each company is accomplished utilizing the original cost reported by the company in a taxing jurisdiction divided by the total original cost the company reports in the state. Each taxing jurisdiction has been assigned a unique number, with each reporting company responsible for reporting their original cost in each respective jurisdiction where they have situs.

Property distribution/apportionment is achieved using the Oklahoma Tax Commission ad valorem reference number. The listing of property should be in the order of ad valorem reference number (ADVRN) by county. The ADVRN represents a unique eleven-digit number assigned to represent the various school districts in the state. This number is in no way meant to replace the present school district coding, merely a series of numbers utilized for sorting purposes. The Oklahoma Department of Education informs us of school district changes as they occur, but if you are aware of changes or discrepancies not reflected in this presentation, please bring them to our attention.

Please refer to your completed PROPERTY ALLOCATION FACTORS (Form 903) for totals before completing the distribution database printout and Form 913-DV. The total original cost in Oklahoma less any Oklahoma exempt property should equal your total distribution to taxing jurisdictions for the current year.

If your company was centrally valued the previous year, you will be in receipt of a APPORTIONMENT DATA REQUEST FORM printout reflective of your company's original cost by taxing jurisdiction as filed for the previous year. To ensure proper apportionment, companies should review their original cost numbers and location of property and any operational changes, as reflected on Form 902-2, occurring during the year (new, retired, sold or relocated property, etc.) and make the appropriate changes, if any, to this year's original cost and taxing jurisdiction information. These changes can be made on the computer printout. Upon completion, the total original cost on the Apportionment Data Request Form should match the total original cost reported on Form 903 (Property Allocation) for Oklahoma less any Oklahoma exempt property, and the total of the original cost numbers reported on Form 913-DV (County Detail/Distribution).

If your company is new to Oklahoma, proper apportionment can be achieved through utilization of Form 913-DV (County Detail/Distribution). From the attached Ad Valorem Number cross reference booklet and the University of Oklahoma website (www.csa.ou.edu) under the Data Products & Tools section, where maps are available by county identifying each ad valorem reference number and school district (taxing jurisdiction) contained therein. The respondent can identify the county and school district information, and properly apportion their property and original cost (less exempt property) information by taxing jurisdiction. Please follow all the instructions on this form. Form 913-DV (County Detail/Distribution) is a required form for all centrally valued companies and is to be completed annually. The total of the original cost

numbers reported on the Form 913-DV (County Detail/Distribution) should match the Oklahoma original cost number reported on Form 903 (Property Allocation).

If your company has new property in Oklahoma, in taxing jurisdictions that do not appear on your distribution database printout, follow the same procedure as described above for first time filers.

All reporting companies are responsible for the annual completion of Forms 913-D and 913-DV.

A printout titled COMPANY CURRENT AND PRIOR YEAR ORIGINAL COST – FOR VERIFICATION will be attached to your appraisal for your review. This printout should be reflective of your distribution as filed for the current tax year. To ensure proper apportionment to the correct taxing jurisdiction please review carefully the cost numbers for the current tax year and the assigned location of your company's property on the verification report. Any needed revisions should be reported to the Oklahoma Tax Commission – Ad Valorem Division – Public Service Section, as soon as possible.

EXPLANATION OF

AD VALOREM REFERENCE NUMBER (ADVRN)

The AD VALOREM REFERENCE NUMBER (ADVRN) is an **eleven-digit** code utilized in the computerization process of the distribution of assessed values to the various taxing jurisdictions in the State. Since there are numerous duplications and triplications of school district designations, it became necessary in the computerization process to assign a unique number to each school district. The system takes into account all joint districts as well as junior colleges and vo-tech districts. The first two (2) digits designate the county in which the school district is located (**01-xxx-xx-xxxx**). The next three (3) digits are the school district designation (**xx-001-xx-xxxx**). The next two (2) digits denote the junior college or vo-tech designation (**xx-xxx-04-xxxx**) The last four digits are the city, fire protection district or rural designation (see following table).

Rural	0000
City	1000 – 2999
Fire Protection District	7000 – 7500
Fire Protection District + City	7501 – 7999
Fire Protection District + Ambulance	8000 – 8500
Fire Protection District + Ambulance + City	8501 – 8999
Ambulance	9000 – 9500
Ambulance + City	9501 - 9999

An example of a non-joint school district, as well as a joint school district, would be:

NON-JOINT DISTRICT

<u>COUNTY</u>	<u>SCHOOL DIST. No.</u>	<u>SCHOOL DIST. NAME</u>	<u>VO-TECH</u>	<u>CITY OR RURAL</u>
Adair	D-1	Skelley	4	Rural
01-----001-----04-----0000				

JOINT DISTRICT

<u>COUNTY</u>	<u>SCHOOL DIST. No.</u>	<u>SCHOOL DIST. NAME</u>	<u>JOINT COUNTY</u>	<u>VO-TECH</u>	<u>CITY OR RURAL</u>
Adair	JI-3	Kansas	Delaware	4	Rural
01-----177-----04-----0000					

In looking at the school district designation by county, it can be noted that in the case of the joint districts, the second three (3) digits, 177, can be found in Delaware County where the school district designation will be DELAWARE I-3 KANSAS, the ADVRN will be 21-177-11-0000. The present school district designation utilizes a "J" before the school district number. This signifies that a joint school district is present. The "J" should only appear in the county where the minority of the school district is located.

POSSIBLE ERRORS

1. Column One (ADVRN)

If the county name is left blank or misspelled, column one (ADVRN) will not contain a number. To correct column one (1), determine the proper county or proper spelling for the listed county and enter it onto the computer printout. Locate that county in the supplied ADVRN booklet; next locate the proper school district and the ADVRN (ad Valorem reference number). Enter the eleven (11) digit ADVRN in column number one (1) on the printout.

EXAMPLES:

1	2	3	4	5	6	7
AD VALOREM REFERENCE NUMBER	SCHOOL DISTRICT	CITY/TNSP, FPD NAME OR RURAL	JOINT DISTRICT	VO-TECH	2010 ORIGINAL COST	2011 ORIGINAL COST
***** / / /	D-1	RURAL		4	100	110
***** / / /	JI-3	RURAL	DELAWARE	4	150	160
TOTALS					250	270

SCHOOL DISTRICT NUMBERS
WITH CORRESPONDING
AD VALOREM REFERENCE NUMBERS

COUNTY	SCHOOL DISTRICT NUMBER	SCHOOL DISTRICT NAME	JOINT COUNTY	ADV REFERENCE NUMBER
ADAIR	D-1	SKELLEY		***** 01/001/04/0000 *****
ADAIR	JI-3	KANSAS	DELAWARE	01/177/04/0000

***** Enter this number in column one (1)

POSSIBLE ERRORS

2. Column One (ADVRN)

If totally blank, refer to number one above. If the second three (3) numbers are blank, it will usually indicate a problem with the school district designator. In this case, check to see that the proper school district designator applicable to the location of your property has been used. Once this has been determined, locate the proper county and school district in the ADVRN booklet and enter the second three (3) digits found in the far right-hand column into the proper place in column one (1) on the printout. Also make the needed changes in columns two, three, four and/or five (2-5).

EXAMPLES:

1	2	3	4	5	6	7
AD VALOREM REFERENCE NUMBER	SCHOOL DISTRICT	CITY / TNSP, FPD NAME OR RURAL	JOINT DISTRICT	VO-TECH	2010 ORIGINAL COST	2011 ORIGINAL COST
*** 01/___/04/0000	D-1	RURAL		4	100	110
*** 01/___/04/0000	JI-3	RURAL	DELAWARE	4	150	160
TOTALS					250	270

SCHOOL DISTRICT NUMBERS
WITH CORRESPONDING
AD VALOREM REFERENCE NUMBERS

COUNTY	SCHOOL DISTRICT NUMBER	SCHOOL DISTRICT NAME	JOINT COUNTY	ADV REFERENCE NUMBER
ADAIR	D-1	SKELLEY		*** 01/001/04/0000 ***
ADAIR	JI-3	KANSAS	DELAWARE	01/177/04/0000

*** Enter this number in column one (1)

POSSIBLE ERRORS

3. Column One (ADVRN)

If the next two digits in the ADVRN in column one (1) on the printout are blank, it usually indicates an incorrect junior college or vo-tech designator. In this case, check to see if the proper junior college or vo-tech designator applicable to the location of your property in column five (5) on the printout has been used. If not, make the needed correction. Locate the applicable county and school district in the ADVRN booklet. The two digits in the ADVRN will indicate the proper junior college or vo-tech designator. Enter these two digits in the proper place in column one (1) of the printout.

EXAMPLES:

1	2	3	4	5	6	7
AD VALOREM REFERENCE NUMBER	SCHOOL DISTRICT	CITY / TNSP, FPD NAME OR RURAL	JOINT DISTRICT	VO-TECH	2010 ORIGINAL COST	2011 ORIGINAL COST
** 01/001/___/___	D-1	RURAL		4	100	110
** 01/177/___/___	JI-3	RURAL	DELAWARE	4	150	160
TOTALS					250	270

SCHOOL DISTRICT NUMBERS WITH CORRESPONDING AD VALOREM REFERENCE NUMBERS

COUNTY	SCHOOL DISTRICT NUMBER	SCHOOL DISTRICT NAME	JOINT COUNTY	ADV REFERENCE NUMBER
ADAIR	D-1	SKELLEY		** 01/001/04/0000 **
ADAIR	JI-3	KANSAS	DELAWARE	01/177/04/0000

** Enter this number in column one (1)

NOTE: For Vo-Tech numbers in Oklahoma County: RSC = 97 and OCCC = 98
For Vo-Tech numbers in Tulsa County: TJC = 99