



CELEBRATE OKLAHOMA!



A UNIQUE HISTORY. AN EXTRAORDINARY FUTURE.

The mission of the Ad Valorem Division of the Oklahoma Tax Commission is to promote an ad valorem property tax system which is fair and equitable to all taxpayers by implementing standard valuation methodology, tax law conformity, and assessment administration compliance.

# Oklahoma Ad Valorem

# FORUM

## Director's Notes:

### Happy New Year from the Ad Valorem Division.

We're not going to need any help in recalling how 2007 started out, are we?

This "Big Chill" weather has been absolutely unbelievable. The Ad Valorem Division offices got off lightly compared to some parts of the state, but it has been really tough. We had to cancel our New Assessor Orientation and our 4-C meeting for the first time ever because of the slick roads, snow, and ice. Cathy Hokit and I have talked several times during the run-up to decide to go to Plan B. I hope that everyone in Pittsburg County is surviving after being on the national news a couple of times with the worst ice storm since that one in 2000. Things have been just as bad in McIntosh and other counties in the same area.

This was also a pretty tough couple of weeks for my hometown of Boise City in Cimarron County. Patty Hiner, Cimarron County Assessor, was kind enough to get the Boise City News editor to email me a few pictures of the storm. Not only did they have major power outages and stranded people, but Patty reported 20 inches of snow on the courthouse lawn and helicopters dropping hay to trapped cattle up in the canyon area around Kenton. It sounds like it was as tough as the famous blizzard in the late 1950s. I hope that this round of weather will let up in the next week or so.

January is always a busy time of year in the ad valorem system. Many county assessors and deputies are out visiting the cities and towns across the state. I've always felt that the visits are a good positive experience for the county assessor, their staff, and taxpayers. As I said last year, it's a credit to the system that statutes require visiting with the public and providing assistance. Our legislative survey on new home construction is proceeding fairly well. We appreciate everyone's assistance and Cathy Hokit's help in getting the ball rolling.

We're expecting a busy year in the legislative area. Several legislative measures are in the process of development. We may have to call on everyone again to provide assistance with surveys or other information.

It is New Year's Resolution time again. I hope everyone

Continued on page 2...

### A Look Ahead...

#### CODA Winter Conference

- February 13 – 15, 2007  
Biltmore Hotel, Okla. City

#### 2007 Assessors' District Meetings

- May 4: SW District  
(Charlotte Hamilton, Comanche County)
- May 11: NE District  
(Melissa Anderson, Rogers County)
- May 18: NW District  
(Judy Barnes, Kay County)
- May 25: SE District  
(Linda Jordan, Latimer County)



Continued from page 1 “Director’s Letter”...

makes some good ones and keeps some of the best. According to Kimberly Powell, a newspaper columnist, the top five of the ten New Year’s resolutions are:

- 1) Spend more time with family and friends.
- 2) Get more fit.
- 3) Win the battle of the bulge.
- 4) Quit smoking.
- 5) Enjoy life more.

Others on the list included getting out of debt, getting organized, and learning something new, but my favorite New Year’s Resolution of all time is still writer Paul Greenburg’s resolution written in 2006: “If you believe you can damage things, remember that you can also repair wrongs, heal hurts, settle quarrels, and forget grudges.” To me, that’s one of the best of the whole group.

As we move forward into 2007, we’re looking forward to the continued good working relations with the State Auditor and Inspector (SA&I) and Center for Local Government Technology (CLGT), Cooperative Extension, the County Assessors’ Association, and Oklahoma Association of Tax Representatives (OATR). A good solid relationship between these groups helps everyone in the ad valorem system and provides better service for state taxpayers.

Thanks to everyone and Happy New Year. We’re looking forward to seeing everyone at the next CODA meeting or in the meantime at William Mack’s reception.

Jeff Spelman, CAE, Director, Ad Valorem Division

*P.S. “One beneficial thing about the storm of 2007: In only a few short years, it will become a legendary storm that your kids can make their children miserable with by constantly talking about how tough things were back in 2007 when things were so bad many people didn’t even have a decent plasma TV in every room in their house.”*  
Anwar Caddo, Ad Valorem Philosopher

## Fraudulent Real Estate Sales Don’t Change Values

“Realtors guilty of mortgage fraud may have inflated sales prices for residential real estate but other similar real estate in the area was not inflated to match the invalid sale,” said Oklahoma County Assessor, Leonard Sullivan, in a December, 2006 press release.

The Oklahoma County Assessor’s office was made aware of the problem and reported the information to the Attorney General’s Office for investigation. Letters sent to those involved in the transaction were returned with no justification for the inflated sales price, and the sale was categorized as invalid. Since those involved could not justify the price, the sale eventually became part of a criminal investigation.

The home in question was inflated to \$310,000 according to court and county documents, but the value set by the assessor was \$184,882, which reflects market value.

Mr. Sullivan stated, “...the market for real estate cannot be influenced by tampering with and inflating prices on a small number of properties, and will not affect the assessed market value of other homes in the county. Markets work, and in real estate, the Oklahoma County Assessor’s office is very accurate in determining the fair market value of all property in the county. When properties fail to reflect market values, they are critically examined and not factored in with other similar properties to determine assessed value.”



## County Repeals Household Personal Property Tax

The voters in Nowata County have chosen to repeal household personal property tax effective January, 2007. This brings the total to 57 counties in Oklahoma which have repealed the tax.



Last year was a busy one. We were able to spend 68 days visiting 48 different counties in 2006. We were able to hold four separate regional training sessions across the State in addition to the annual school in Tulsa. We spent two and a half weeks downloading and converting data and burning that data onto CD-ROMs and DVD-ROMs. This was also the first year in years that I was able to attend an IAAO mapping course and an IAAO mapping conference.

Here are some of the 2006 highlights:

- ◆ We gave a copy of 2005 aerial photos to the assessors at the May district meetings.
- ◆ We have already received the 2006 aeriels and look forward to distributing them at the CODA winter conference.
- ◆ We have downloaded the NRCS digital soil layers for 74 counties. We hope the last three will be released this year.
- ◆ We wrote code to allow ArcView 9.x to calculate soil breakout based on parcel, soil and land use mapping. We hope to modify this code to allow for direct loading into the State's CAMA system. This would finally allow ArcView counties to do what only a handful of MIMS counties are doing now.

Remember: If you need help ask for it. We are not as good as we'd like to be at guessing your needs.

Also, if you want to host a two or three day regional training session in your county on either MIMS or ArcView, let me know.

## Property Tax News From Around The Country

### Alabama...



Alabama has the lowest property taxes in the nation, yet to hear some people talk, one would think Alabamians were being driven to ruin by annual reappraisals of their property values. Some politicians call annual reappraisal a back-door tax increase. For many years before computerization in tax offices, it took about 4 years to complete reappraisals in a county. Governor Gerald Allen wants a four-year reappraisal cycle put into the state's constitution that would allow counties to reappraise property only every four years. This would prevent future governors from implementing annual reappraisals.

Continued on page 4...





Continued from page 3 “Property Tax News From Around The Country”...



## Louisiana...

New Orleans property tax bills for 2007 are in the mail, and there’s a bit of good news inside. The tax rate is down by 7% from last year when it reached an all-time high of about 188 mills. Before Katrina, the citywide property tax rate was 171.29 mills, but debt obligations and widespread reductions in property values as a result of storm damage forced officials to raise tax rates last year. This year, the citywide rate is 175.19 miles, or about 2% higher than the pre-Katrina rate, reflecting the restoration of pre-Katrina assessments in many areas.



## Wyoming...

Wyoming residents favor by 64% the permanent elimination sales tax on food over other tax relief considerations. A distant second was the proposal to exempt the first \$5,000 of a home’s value from property taxes, which was favored by 17% of those polled. Also receiving less interest was a once-a-year sales tax holiday on clothes, sporting equipment and school supplies.



## Oklahoma 2007 Centennial Moment

The State of Oklahoma will celebrate 100 years of statehood in 2007 with commemorative events throughout the year.

The first event took place on New Year’s Day with Oklahoma’s spectacular appearance as the lead feature in the 118th Tournament of Roses Parade. The parade appearance brought national exposure to Oklahoma’s 100th year as a state.

Miss America 2006, Jennifer Berry from Jenks, OK, was a part of the Opening Ceremony followed by Oklahoma’s All-Star Centennial band, entertainers, and two floats, one which received the “Extraordinaire” prize.

Riding on an Oklahoma float were Governor Brad Henry and his family, along with Oklahoma celebrities. A highlight of the parade was the show-stopping performance of “Rocket Man” launched from the Oklahoma float.



The Oklahoma Centennial Commission is the oversight agency for statehood celebrations. The Commission’s webpage is [www.oklahomacentennial.com](http://www.oklahomacentennial.com). Bookmark that page and visit it frequently to keep abreast of the activities which may be of interest to you and your family.



## Receive The “Forum” By Email:

To receive the “Ad Valorem Forum” by email, please forward your email address to Cyndi Heath at [cheath@tax.ok.gov](mailto:cheath@tax.ok.gov).