

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.

“IAAO Zangerle Award Winner:
1997 and 2010”



Oklahoma Ad Valorem

FORUM

Director’s Notes:

Happy New Year from everyone here at the Ad Valorem Division!

We are gearing up for another year full of challenging but interesting work. The field staff was in recently to prepare for the 2015 Equalization Study and Performance Audits they will be conducting. We are looking forward to a successful audit data gathering process, and as always we appreciate your assistance as we make our rounds throughout the state gathering the many pieces of information needed to complete the audits and report the findings to the State Board of Equalization in December.

In cooperation with the Assessors’ Association, CLGT, CCAP, OSU Agricultural Economics Extension, the Ad Valorem Division provided a two-day orientation program for new assessors January 22-23. Special thanks to everyone who assisted us with the training. There were a total of 41 people from 30 counties in attendance. As we shared with the group, there’s simply no way to know the answer to every ad valorem question that comes up, and we advised the group not to panic about that. I know that many of our “seasoned veterans” out there will be a helpful resource to our new assessors as they call upon you for assistance, and let’s not forget to provide them with a little encouragement along the way as well.

The 2015 Business Personal Property Schedule has been finalized and was posted earlier this month on the Ad Valorem web page for reference. Thanks to all who provided input during our meeting this past fall to discuss the items and values contained in the schedule prior to finalizing the numbers.

The Public Service Section is working hard to prepare for the valuation season. Forms have been posted to the web page. Mike Isbell and his staff have planned the Capitalization Rate Conference for March 26-27. This marks the eighth year that these conferences have been held, and the process has been a good one.

Like you, we will be watching the legislative process closely to see what ad valorem bills emerge. We will probably hear a lot more on that topic at the CODA meeting February 18-20. We’re looking forward to seeing everyone there.

Joe Hapgood, CAE, Interim Director, Ad Valorem Division

P.S. “The secret to happiness is not in doing what one likes to do, but in liking what one has to do.”



There has been quite a bit of turnover in the past few months both at the county level and at the state level. For those mappers wanting ArcGIS (ArcView) training, the South Central Arc User Group representing ArcGIS (ArcView) users in Louisiana, Mississippi, Oklahoma, and Texas have training available. You can go to their “Events” webpage at <http://www.scaug.org/page-1175551> for more information. Right now, they have online training available through June, 2015. They have a “Basics I” class scheduled at the Moore-Norman Technology Center for March 5-6, 2015. They also have a “Basics II” class scheduled at Moore-Norman Technology Center for February 10-11, 2015.



Don't forget, if you need assistance, let us know. I have been exposed to MIMS for 20 years this January, AutoCAD for nearly 18 years, and ArcView for 16 years; so, let me help!

Remember: It is always better to learn from someone else's mistakes than to try to learn from your own. Let that other guy/gal make those mistakes!

“Let’s Get Personal” Property

by Doug Brydon

Five-Year Exempt Manufacturing balancing with the county bills is in process. All printouts have been sent. It is imperative that you return the signed approval sheets back to Patty for the file. Make sure that you are returning phone calls, emails, or any other correspondence in a timely manner with respect to balancing of the Five Year Exempt accounts. As you are completing the balancing process, please verify the school district as well as the tax liability. If there are any discrepancies in either, please call Patty Heath at 405-319-8200. Remember, Rules 710:10-7-18 through 710:10-7-20 require a separate account for each Exemption and there could be a real and personal bill for one printout. Due to rounding differences between the State and Assessor's office, there may need to be corrections made to tax bill. The projected payout by property type still has Electric Wind Generation leading the way at 40% of the reimbursement amount with Traditional Manufacturing at 23%. The rest as follows: Large Manufacturing at 22%, Data Computer Processing at 14%, and Distribution at 1%.

The Personal Property Schedule Final is on the website for use now. The cycle starts all over and preparation for the 2016 Schedule is under way. If there are any categories that you would like to see in the Schedule, let us know. Research can be done to check the viability of subject. Remember, this year electric wind generation will not be trended.

A wise man can learn more from a foolish question than a fool can learn from a wise answer. -Bruce Lee





Kenny Chuculate Retires

After 30 years of service in the Ad Valorem Division, Kenny Chuculate retired from his position as Deputy Director effective January 1, 2015. Kenny began his assessment career with the Ad Valorem Division as a clerk in 1984.

He became an Assessment and Equalization Analyst I in 1985, performing audit field work, and in 1986 was promoted to an Assessment and Equalization Analyst II level. In 1991, Kenny took over the role of Supervisor of Equalization, and in May of 1994 he became Deputy Director of the Ad Valorem Division.

Kenny served as Deputy Director for 20 years before briefly serving as Interim Director of the Ad Valorem Division upon the retirement of Jeff Spelman, CAE, former Director, who retired in October of 2014.

Kenny was a member of the International Association of Assessing Officers (IAAO) and the IAAO Oklahoma Chapter as well, attending many IAAO conferences and participating in various state chapter meetings and functions.

The single greatest joy Kenny derived from performing his duties as Deputy Director was his interaction with the county assessors and the Ad Valorem Division Staff.

We extend to Kenny our sincere gratitude for his leadership, integrity and friendship throughout his distinguished career, and wish him the very best in his retirement years.

~ Ad Valorem Division Staff



Website Updates

- The 2014 Tax Laws are now available on the main Ad Valorem Page.

<http://www.tax.ok.gov/adv5.html>

- The Assessor site has been updated with 2014 bulletins. If you should need a signed copy of a bulletin contact the division.

<http://www.tax.ok.gov/AssessorSite/Bulletins.html>

- The 2014 Equalization Study is now available on the Assessor site.

<http://www.tax.ok.gov/AssessorSite/SBOEreports.html>

- Personal Property Schedule Final now available on line.

- Updates have been made to the county contacts on the website. Please verify that your county's information is correct.





19th Annual GIS/CAMA Technologies Conference

March 2-5, 2015

Renaissance Oklahoma City Convention Center Hotel
Oklahoma City, OK

The International Association of Assessing Officers (IAAO) and the Urban and Regional Information Systems Association (URISA) are pleased to announce the 19th Annual GIS/CAMA Technologies Conference in Oklahoma City, OK. The conference is designed to foster collaboration and integration of data, technology, and functionality.

Registration

Full registration includes access to all sessions, the conference proceedings, receptions, social event, luncheon, and vendor educational sessions. Attendance at a pre-conference workshop is an additional cost. The conference program and pre-conference workshops will be detailed in Fall 2014 and a registration form will be available at that time.

Early-Bird Rates (thru December 31, 2014):

- URISA and/or IAAO Member: \$425
- Non-Member: \$575
- Student and One-Day Registration options are also available

Regular Rates (after December 31, 2014):

- URISA and/or IAAO Member: \$475
- Non-Member: \$625

Pre-Conference Workshops:

- URISA and/or IAAO Member: \$195
- Non-Member: \$245

Conference Hotel

The conference will take place at the Renaissance Oklahoma City Convention Center Hotel (10 North Broadway Avenue, Oklahoma City, OK 73102). A block of rooms has been offered to conference attendees at the discounted rate: \$139 single/double, \$149 club level, and \$169 for suites. Complimentary in-room internet for those who reserve within the block. The hotel offers complimentary airport transportation.

Sleeping room reservations can be made by phone at 1-800-468-3571. Be sure to reference the GIS/CAMA Conference. Reservations should be made no later than 21 days prior to the conference.

Online hotel reservation form coming soon.

Valet parking is available for \$25 per day or a half day rate charge of \$15. Be sure to mention you are with the GIS/CAMA Conference. The hotel is connected to a public parking facility via skywalk, however, the hotel does not control public parking rates.

Oklahoma City

Western charm goes metropolitan in Oklahoma's capital city. Oklahoma City offers plenty of interesting things to do and boasts big-league attractions, including the OKC Thunder NBA team and a revitalized downtown area starring the Bricktown Entertainment District, Chesapeake Energy Arena and top-notch museums, including the Oklahoma City National Memorial & Museum and the Oklahoma City Museum of Art. Rope up some fun at the National Cowboy & Western Heritage Museum and other Adventure District destinations. Learn Oklahoma's story at the Oklahoma State Capitol and nearby History Center. Go kid-friendly at the OKC Zoo, Science Museum Oklahoma, Frontier City and White Water Bay, and escape to the outdoors at the Oklahoma River, Myriad Botanical Gardens and Lake Hefner.





Continued from page 4 "19th Annual GIS/CAMA Conference"...

Oklahoma City offers a thriving nightlife scene with concentrations of popular spots for music, dancing and drinks in the Bricktown Entertainment District, the Paseo Arts District, and Western Avenue area. The arts abound and culture flourishes with options such as the Oklahoma City Philharmonic Orchestra, the Oklahoma City Ballet, vibrant art districts and plentiful galleries, a diverse music scene that produces national stars in multiple genres, bountiful drama productions and an acclaimed arts festival that draws nearly 1 million visitors each year.

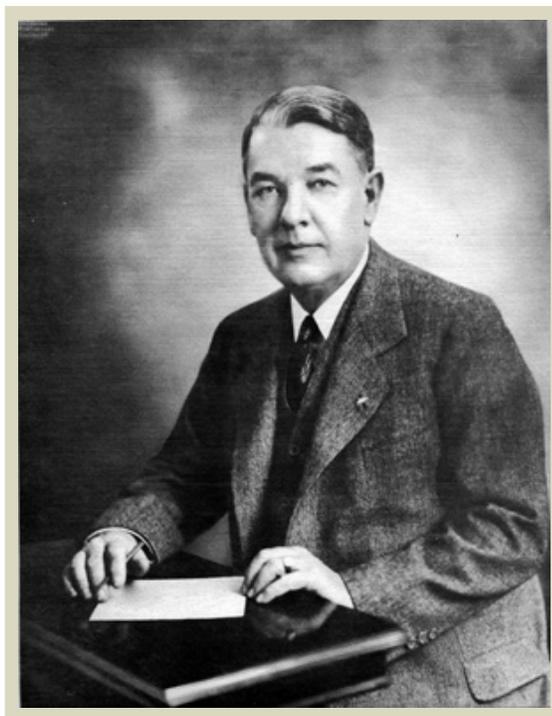
Ernest Whitworth Marland

Tenth Statehood Governor

January 14, 1935 - January 9, 1939

Oklahoma governor and U.S. Representative Ernest W. Marland was born in Pittsburgh, Pennsylvania, on May 8, 1874, the youngest and only male of the eight children of Alfred and Sara Marland. He attended private and public schools in Tennessee and Pittsburgh and graduated with a law degree from the University of Michigan Law School at the age of nineteen. Within two years of graduation he began practicing law in Pennsylvania.

The Pittsburgh of 1895 where young Marland started his career was an exciting place. The coal industry, long a mainstay of the region, had recently been augmented by a series of oil booms. The young lawyer quickly became involved in a series of coal and oil promotions which soon made him a small fortune. In the midst of this frenetic speculation he met Mary Virginia Collins, the daughter of a Philadelphia court stenographer, and on November 5, 1903, they were married. E.W. and Mary did not have any children. To share their wealth and help her sister Margaret Roberts, in 1916 they adopted the Robert's two children, George and Lydie. They sent them to private schools and gave them other opportunities.



Marland's first fortune, made so quickly on speculation, was soon lost in the Panic of 1907. E.W. simply borrowed money and started his next venture. It came when a relative introduced him to the Miller brothers whose famous 101 Ranch lay near Ponca City, Oklahoma. In 1908, E.W. journeyed there and immediately decided that the surface geology indicated oil. He raised capital from financiers back in Pennsylvania and began drilling. In 1910, after drilling seven dry holes, he made the first discovery. As one success led to another, Marland formed several companies, including the 101 Oil Company, the Kay County Gas Company, and a number of others until finally, in 1921, he consolidated all his oil ventures as the Marland Oil Company.

The rapid expansion of his oil business forced the newly made millionaire to borrow large amounts of capital from New York bankers. By 1928 this practice had accelerated until control of the company was wrested from him by the bankers, who changed the name of the company to the Continental Oil Company, or as it is better known, CONOCO. Meanwhile, E.W. was given a figurehead role with the operation, and by the early 1930s he had lost his fortune.

During the years he was building his oil empire, E.W. Marland indulged in a lavish lifestyle that made him well known as a social and philanthropic leader in Oklahoma. His companies were noted for providing the best employee benefits in the state. Marland showered Ponca City, where Marland Oil Company was

Continued on page 6...





Continued from page 5 “The Governors of Oklahoma - Ernest Whitworth Marland”...

headquartered, with gifts including a hospital, city parks, and numerous donations for civic improvements and to local charities. Perhaps the best known of those activities was the commissioning of the Pioneer Woman statue.

During this time he built a lavish mansion in Ponca City known as Palace of the Prairies. The Marland mansion became the focal point of extravagant social activities that included English style fox hunts, polo, numerous soirees of all kinds, and an almost continuous round of high-stakes poker games. In 1926, during the mansion construction, Mary died after a long illness. Two years later, Marland had Lydie's adoption annulled and he married her that year. She later accompanied him to Washington.

Agitated by the loss of his oil empire and resulting bankruptcy, which he blamed on an uncontrolled banking industry, E. W. changed his political allegiance from Republican to Democrat and entered politics. In 1932, he was elected U.S. Representative from the Eighth District. His congressional efforts focused almost exclusively on a series of bills designed to curtail banking activities that he felt exerted undue control over the national economy. During his stint in Congress he also became a staunch supporter of the “New Deal” policies of Pres. Franklin D. Roosevelt. In 1934 Marland declared for the office of governor of Oklahoma. Running on a slogan of bringing the New Deal to Oklahoma, he won a close primary struggle but generated an overwhelming victory in the general election to become the tenth Governor of Oklahoma.

The Marland administration was marked by a contentious relationship between the governor and the state legislature, revolving around the governor's determination to bring a total relief package to the state and the conservative legislature's concern over the cost of such a large undertaking. Slow action on his proposals prompted the governor

to appeal directly to the citizens by means of two statewide radio broadcasts and a speaking tour. These actions created greater difficulties with the legislature and further slowed relief efforts for the people of Oklahoma, who were suffering from the twin calamities of an economic depression and a devastating drought. To further exacerbate his political problems the governor made an unsuccessful attempt to run for the U.S. Senate in the midst of his term as governor.

Ultimately, his administration is credited with getting only a small portion of the New Deal programs needed by the state. However, he did get a strong educational support package implemented, established the Oklahoma Department of Safety and its Highway Patrol, and the Interstate Oil Compact. Through



Pioneer Woman Statue



Palace of the Prairies





Continued from page 6 “The Governors of Oklahoma - Ernest Whitworth Marland”...

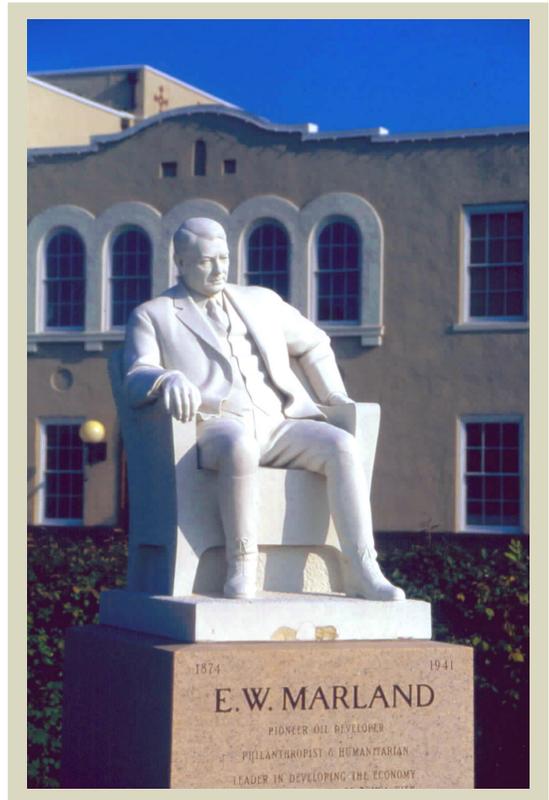
the Compact, six oil-producing states agreed to practice oil conservation and establish a fair price for petroleum. The governing body of the Compact was a commission, of which Marland was elected to serve as the first president.

*Despite Marland's efforts, most Oklahoman politicians never fully embraced the New Deal. What the Legislature would accept was a **homestead exemption provision to the state's ad valorem taxes**, increased school funds, and raising the state sales tax to two percent. Marland introduced legislation to appropriate funds raised by the sales tax for aid to the handicapped, the elderly, and dependent children.*

E. W. Marland left office in January 1939, returned to Ponca City, and began trying to rebuild the Marland Oil Company. In 1940 he made an unsuccessful bid for the U.S. House of Representatives. By this time he was in failing health that culminated in a heart condition. He died October 3, 1941.

Movie about EW Marland:

On August 6, 2012 the Weinstein Company, producer of two recent Academy Award winners for best picture: “The King’s Speech” and “The Artist,” announced that they are attached to topline the romantic drama “Ends of the Earth,” written by Academy Award winning screenwriter Chris Terrio based on the lives of EW and Lydie Marland, in a story that follows the controversial love affair between an oil baron and his adopted daughter, which destroys the empire they built together, based in Ponca City, OK. “Chris (Terrio) has brought to life with his writing one of the most epic love stories that people have yet to really discover,” said Dylan Sellers, Weinstein Company president of production. “We knew right away that this script was something special.”



Calendar of Events

Feb. 10 - 13: Unit II, Real Property Appraisal
- Hampton Inn, Tulsa Central

Feb. 18 - 20: CODA
- Embassy Suites Hotel & Conference Center
2501 Conference Drive, Norman OK

Feb. 23: Ad Valorem Rules Hearing
Time: TBA

Ad Valorem Forum Mailing List:

If you have coworkers who would enjoy receiving this monthly publication, please send their email address to cheath@tax.ok.gov.

