

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:

Springtime in Oklahoma and the redbuds are just starting to break into their colorful blooms. Unfortunately, we have also started out with some wild fires and the drought continues. Hopefully, we will avoid another round of fires and severe weather in the next few months.

The Ad Valorem Division had a good meeting with the County Assessors Association officers last week to discuss issues related to Annual Valuation, Improvements and Concerns letters, training, and the work of our field analysts. I thought it was a beneficial meeting. Monica Schmidt and the officers raised some good points. We expect some additional discussion and further progress by counties in carrying out their annual valuation efforts.

The best thing I believe that will come out of the process will be focusing everyone’s attention on the work that needs to be done. That will help us move forward, and it will get everyone on the same page.

Carter County is in the process of changing its software to the state system. (CCAP’s AA and State CAMA). It has been a difficult process, and the Ad Valorem Division and CCAP are providing assistance. We’ve had to deal with travel budget limitations and keeping up with the needs of all counties on the system.

The 4-C Committee has discussed developing a policy or procedure on transition of counties from “grandfathered” or other software to the State System. This would be recommended to the Association officers. The conversion process doesn’t happen often, but it might be good to have in place.

The Ad Valorem Division will be meeting with Caddo County Assessor and the Chair of the Board of County Commissioners this week to discuss their progress on compliance.

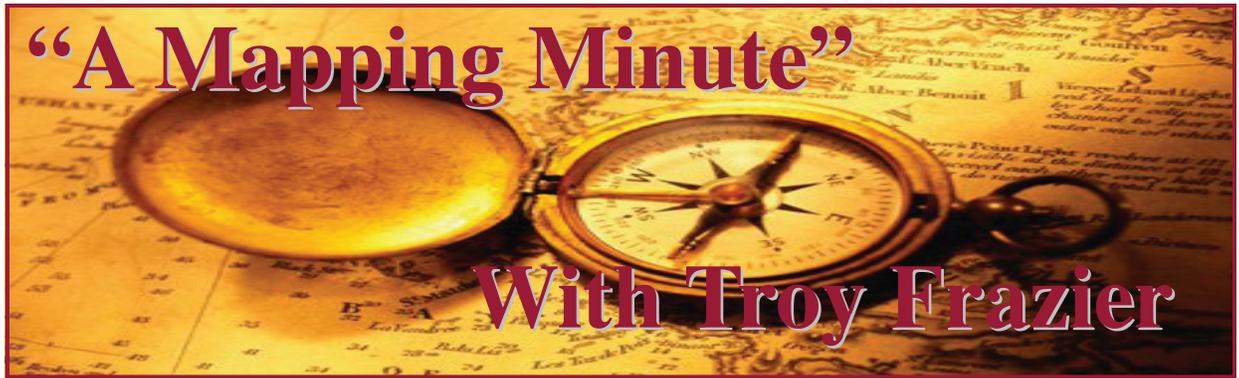
Public service activity has picked up with calls and questions about renditions. We will have a Capitalization Rate Conference later this week on March 24th. We’re looking forward to hearing from interested parties.

We will post the draft study April 4th with a 10-day comment period. We’ll post comments received on the web site. Our final study will be posted April 30th.

We appreciate the hard work and conscientious effort of all county assessors and deputies out there. We hope that everyone’s work helps improve the Oklahoma ad valorem system and make it better than it was given to us for taxpayers everywhere. Watch out for the Dragons in the uncharted waters.

Jeff Spelman, CAE
Director, Ad Valorem Division

P.S.: “The test of a first-rate intelligence is the ability to hold two opposite ideas in the mind at the same time and still retain the ability to function. It is sort of like not believing in Santa Claus but still expecting him to bring you everything on your list.” Stanley T. Cimarron, World famous Ad Valorem Philosopher borrowed and improved this quote from F. Scott Fitzgerald.



While visiting counties earlier this month, I noticed an uncomfortable trend. Several assessors' offices had letter-sized paper maps posted for sale for \$1.00!

I know that there has been some confusion and discussion on what to charge for electronic data, but paper maps should be a non-issue. Title 28, Section 60 of the Oklahoma Statutes states:

“All county assessors shall charge and collect the following flat fees to be uniform throughout the state, and the county assessor shall not be required to itemize or charge these fees pursuant to any other schedule, except as specifically provided by law:

For furnishing all records available for copying; in paper form and in a size 8 1/2” x 14” or smaller, and in one color on white paper, per page the fee shall be as provided in the Oklahoma Open Records Act, Section 24A.1 et seq. of Title 51 of the Oklahoma Statute:

For furnishing standard maps; in paper form and in one color on white paper or blue line, per map and in the following standard sizes when available:

1. ‘A’ size approximately 8 1/2” x 11” \$5.00
2. ‘B’ size approximately 11” x 17”
‘C’ size approximately 17” x 22”
‘D’ size approximately 22” x 34” \$7.00
3. ‘E’ size approximately 34” x 44” \$10.00

Individual property owners obtaining records for their own records shall be exempt from the provisions of this section.”

“One color on white paper” would be any black and white map produced in the office. Letter sized paper is 8.5” x 11”. Although color maps are not listed specifically, how can anyone rationalize that color should be less expensive than black and white?

These \$5.00, \$7.00, and \$10.00 rates for paper maps are specifically priced in statute. All other paper record requests are governed by the Oklahoma Open Records Act (Title 51, Section 24A.1). Notice that the only exemption to these prices listed are to “individual property owners obtaining records for their own records”.

We have touched on this topic several times in the past in the “Ad Valorem Forum” and each year during the mapping track at the Annual Assessors’ Educational Conference.

Remember: “The shortest distance between two points is usually a straight line.” (Don’t make it harder than it has to be!)

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.





4 “C” March Meeting Notes

Debbie Collins, 4C Chair, conducted the monthly meeting held March 8, 2011 in the Ad Valorem Division. Debbie will be retiring from office on July 1.

A new method for transmitting data to obtain agricultural Sales Tax Exemption Cards is in place at the Tax Commission as explained by Jari Burke, OTC Taxpayers Assistance (TPA) Deputy Director. The new system was created in lieu of mailing diskettes to the OTC. Instructions will be placed on the Ad Valorem Division page of the OTC website (tax.ok.gov). Click on the “assessors only” button to find details about the “Tax information Bus”. Questions regarding the system should be directed to Jari Burke or Jenny Bagley, TPA Supervisor.

When agricultural sales exemption data is received, it is not re-entered into the system. If a name on a renewal does not exactly match, or social security numbers do not match, then an error report is created and sent to the assessor for review. If it’s just an address change, the system will change the address automatically. The TPA contact person for error corrections is Sandy Johnson (405-522-0869).

It is hoped that in the future there will be a second line available in the address. This is an important feature for the assessors and been discussed some time ago. Jari asked that she be notified the information is about to be transmitted, so she can watch for it. This will help in the initial monitoring of the program’s functions.

Carter County is converting from a private software vendor to the State System, and Texas County may be making the change, also. Since this procedure is not common, there is no transition team readily available. Notification as far ahead of time as possible is requested so the parties involved can coordinate the process. A great deal of planning is needed before conversions actually are done. There is a general approach to the process, but it has to be customized for each county. Availability of staff is a primary concern.

The State initially provided \$26,000,000 for computers to be installed in county assessor’s office. With the downturn in revenue, there is no chance of getting more money to assist the counties with computerization. The OTC and CCAP teams met following the 4C meeting to plan coordination of conversion assistance to Carter County.

The new CAMA system is working well. Garfield County is hitting it hard on the real side, and there are no problems. The program will be installed in more counties as soon as possible.

A few things with the new system have been rectified, some of which are the SALEX file, note memo screen, and report screens. One or 2 items could be added to the “solution list” screen. This would allow clean-up to be easier. In Major County the screen size was switching. Carter County data was downloaded to a laptop and it worked, so some of the problems affecting them are in other areas, perhaps in the server. Several things were fixed in that county during this process.

There are several things that should be in place in the county prior to installation such as a license on a work station in a shared folder. A suggestion was made to put it on a view station and leave it on. A shared folder works well but not on Linux.

There are 10 to 15 new compiler upgrades. A continuing problem is work stations and networks are getting fouled up with games, music, etc. which slows the computers considerably. The counties with no internet issues have the least problems. It was suggested some work stations should be offline. The state auditor’s office has guidelines for internet use in the counties.

Pittsburg County’s “switch” issue has returned and is being re-checked. Replacing a switch might fix the problem. The Custer Courthouse went to a different internet provider. The assessor’s office is getting all new cable.

The Thomas Kinkadee screensaver bogged down the system. Forewarn the assessors that this brings the computer server down.





Continued from page 3 "4 'C" March Meeting Notes"...

Beckham County could get on the internet but could not get on the server. It is a DNS address issue. Somehow the settings were changed, and some were gone. Alfalfa County has an HP color laser printer that is very slow when printing. HP was called and admitted the drivers on the printers were corrupt. Printing would occur in black & white but not color.

The next 4C meeting will be April 12, 2010 at 10:00 a.m. in the Ad Valorem Division.

Legislative Update



The legislative session is almost half over, and there are still some very important ad valorem bills alive.

Currently there is HJR-1001 which removes the qualifying income requirement from the Senior Valuation Freeze.

Three bills offer several different approaches to reduce the current five percent cap that is applied to non-sold property. In HJR-1002 the cap would be reduced to two percent on all property; HJR-1013 would change the cap to three percent on homestead property only. SJR-5 would limit the increase to three percent or the rate of inflation for homestead and agricultural properties.

There are other legislative bills making their way through the process that may affect the office of the county assessor directly or indirectly in addition to those listed.

As the legislative process moves forward, there can be changes each day both in the language and status of the bills. The Assessors' Association Legislative Committee will be able to provide specific updates and detailed information on these bills. Some of the bills being monitored are as follows:

- HB-1362 Board of Tax Roll Corrections
- HB-1903 Postmark as date of receipt
- SB-13 Exempt manufacturing relating to wind power facility payroll
- SB-105 State Board of Equalization prescribing a fee schedule
- SB-163 Exempt manufacturing reimbursement based on existing assets
- SB-511 Disclosure of personal information by the county clerk and assessor
- SB-935 Exempt manufacturing payroll waiver for certain applicants
- SJR-16 100% veteran exemption for manufactured homes on leased land

Assessors' District Meeting Dates and Locations

- May 6: N.E. - Lisa Smart, Chair (Okmulgee County)
- May 13: S.W. - Donna Giddens, Chair (Greer County)
- May 20: S.E. - Tim Trent, Chair (LeFlore County)
- May 27: N.W. - Mandy Snyder, Chair (Noble County)

OTC Annual Educational Conference

- August 9 - 12: Marriott Southern Hills Hotel and Conference Center, Tulsa, Oklahoma





OTC Has New Procedure for Agricultural Sales Tax Exemptions

Jari Burke, Deputy Director of OTC's Taxpayer Assistance Division, has announced a new system by which county assessors may submit agricultural sales exemption requests to the OTC. Since some counties no longer can produce diskettes, the OTC I.T. Division has designed a system to electronically upload information. At the present time, either method of submitting data to the OTC is acceptable.

County assessors should go to the "assessors only" page of the OTC website to obtain a user I.D. form and submit to I.T. to be assigned a password for access to the program. The password will be a standardized I.D. for ag exemptions, will be county specific, and only one password will be issued per county. When data is transmitted, an e-mail confirmation will be sent to the county. The e-mail address should not be a personal one but rather one that is specifically for the assessor's office. Determine who in the office will receive the confirmations.

Based on the testing with the volunteer counties, a few modifications were needed to the instructions. The finalized instructions for the electronic upload, Tax Information Bus (TIB), may also be found on the "assessors only" page.

Some software may need to be downloaded to use the system. Filezilla is used for this program. There is still a need for a paper report for new applications, but that may change in the future.

Do not wait to submit the information too close to the expiration date of the exemptions. It is recommended that information be sent in every Friday, every 2 weeks, or once a month. OTC will upload to the mainframe, edit and then print the cards. AG permit cards are printed daily.

Taxpayer Assistance is sending out error reports when the electronic data, either from the diskette or the FTP files, does not match the OTC file. This could be due to invalid FEI/SSN, name not matching or NEW record. (see reference above about new applications.)

This is the big renewal year so there may be several accounts on your error listing.

For the TIB registration form or TIB instructions please contact, Jenny Bagley, Supervisor in Taxpayer Assistance, at 405-522-0020 or Jari Burke at 405-522-0344. For error report problems please call Paula Johnson at 405-521-4614.

Focus on LeFlore County

LeFlore County is located on the eastern boundary of Oklahoma. In the eighteenth century French explorers, traders, and trappers investigated and operated in the area, contributing the many French place-names. The name honors the prominent LeFlore family of the Choctaw Nation. A number of the expeditions concentrated on the Arkansas River Valley in the county's northern portion. Trails blazed through the vicinity, which led to military roads connecting Fort Smith across the border in Arkansas to Fort Gibson and Fort Towson.



LeFlore County Courthouse located in Poteau, OK

The physical environment varies, but is mountainous, with the Ouachita Mountains extending into the county from the south. Associated mountain ranges, including the Winding Stair Mountains and the Kiamichi Mountains, dominate the county's southern half, while peaks such as Sugar Loaf and Cavanal

Continued on page 6...





Continued from page 5 "Focus on LeFlore County"...

mountains stand more independently in the north. Covered with forests, including pine and cedar, the region has fed a prosperous lumber industry. The Ouachita National Forest covers much of the southern part of the county.

The town of Skullyville housed the government Indian agents, held a station on the Butterfield Overland Mail route, and served for a time as the Choctaw capitol. It hosted notables such as artist George Catlin, an American painter, author and traveler who specialized in portraits of Native Americans in the old west. It was also the home of prominent Choctaw Tandy Walker.

In 1838 the Choctaw Nation allowed the Methodist Episcopal Church to operate the Fort Coffee Academy for boys, and in 1845 the Methodists opened the New Hope Seminary for girls east of Skullyville. The schools and the mission closed during the Civil War, and in 1863 Union troops burned the Fort Coffee Academy, which had been used as barracks for Confederate troops.

After the war New Hope Seminary reopened and operated until it burned in 1896. In December 1866 the Choctaw government passed legislation to again fund neighborhood schools.

Poteau, the county seat, is named for the nearby Poteau River. The French word Poteau translates into English as "post" meaning "military post" or "outpost". With a railroad depot in place, the town established a post office in 1887.

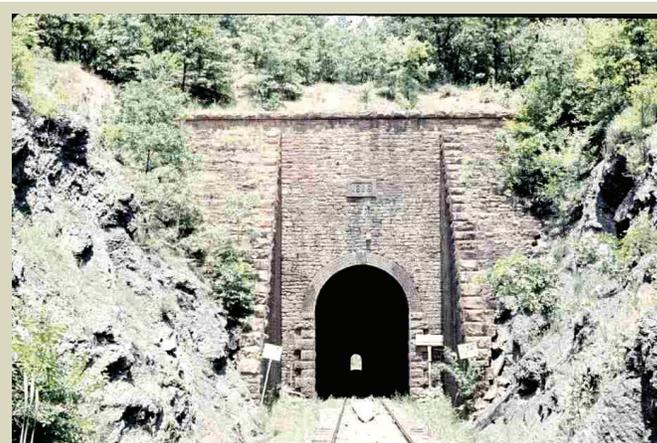
Since Poteau was centrally located in the county and had a rail service, it was assured of becoming the region's principal city. It was incorporated as a town on October 8, 1898. That same year residents voted to tax themselves \$6,000 to construct a school from native stone. This was the first free school in the Indian Territory.

Federal court was moved to Poteau from Cameron in 1900. The telephone company was granted a franchise in 1904 and was quickly followed by electricity and a waterworks system in 1906. Meeting the population requirement of 2,000, Governor C.N. Haskell issued a proclamation declaring Poteau "a city of the first class" in 1908.

The present day courthouse was constructed in 1926-27 on a site of a park donated to the City of Poteau. The jail was originally located on the top floor. In 2006-2007, the courthouse underwent a multi-million dollar renovation. A new jail was created on the north side of the building along with an addition to the rear of the original building.



George Catlin, American painter who specialized in portraits of Native Americans



The Jenson Tunnel is Oklahoma's only railroad tunnel. Built through the Choctaw nation between 1885 and 1887, the tunnel is approximately 1,180 feet long with an average width of 14 feet and an average height of 20 feet.





Continued from page 6 "Focus on LeFlore County"...

From 1936 to 1941 archaeologists and Works Progress Administration (WPA) workers excavated the site known as Spiro Mounds. The Spiro Mounds Archaeological State Park opened an interpretive center in 1978 which has been operated since 1991 by the Oklahoma Historical Society. The site is listed in the National Register of Historic Places.

Coal mining and the forestry industry ruled as economic staples at the turn of the twentieth century, attracting workers and railroads to the county. Railroads came into the area which assisted in the growth of industry.

In 1927 the Dierks Company ambitiously established Pine Valley as one of the largest forest-industry towns in the American south. It offered a large hotel, general store, drugstore, post office, barbershop, doctor, school, boarding house, movie house, ice plant, jail, churches, and a segregated section for African American workers. In 1941 the company began closing the town, and the rail line was abandoned in 1942. Honobia, Stapp, and Big Cedar served as other active mill towns in the first half of the twentieth century.

Agriculture has also been an integral component of LeFlore County's financial stability. Corn and cotton were early dominant crops, but by 1965 soybeans became predominant. Other crops grown are wheat, sorghum, and corn. In 2000, cattle-raising expanded. Since the mid-twentieth century the poultry business has grown with millions of broiler chickens raised in the county. In 1986 OK Foods established a poultry hatchery at Heavener. In 1992 the company opened a processing plant and in 1995 a feed mill.

Mineral extraction in LeFlore County has centered on coal, but limestone, sand and gravel, and natural gas have also been produced. Coal mining began in the late-nineteenth century and in 2002 LeFlore led the state in coal production. Natural gas is confined to the north half of the county, with the Poteau Field the largest (its first well was completed in 1910).

The Kerr-McClellan Arkansas River Navigation System brought an upturn in businesses, and the declining population took an upswing. It was completed in 1971.



Spiro Mounds, Oklahoma's only archaeological park, located near Spiro, Oklahoma



Overstreet-Kerr Historical Farm House, south of Sallisaw, Oklahoma





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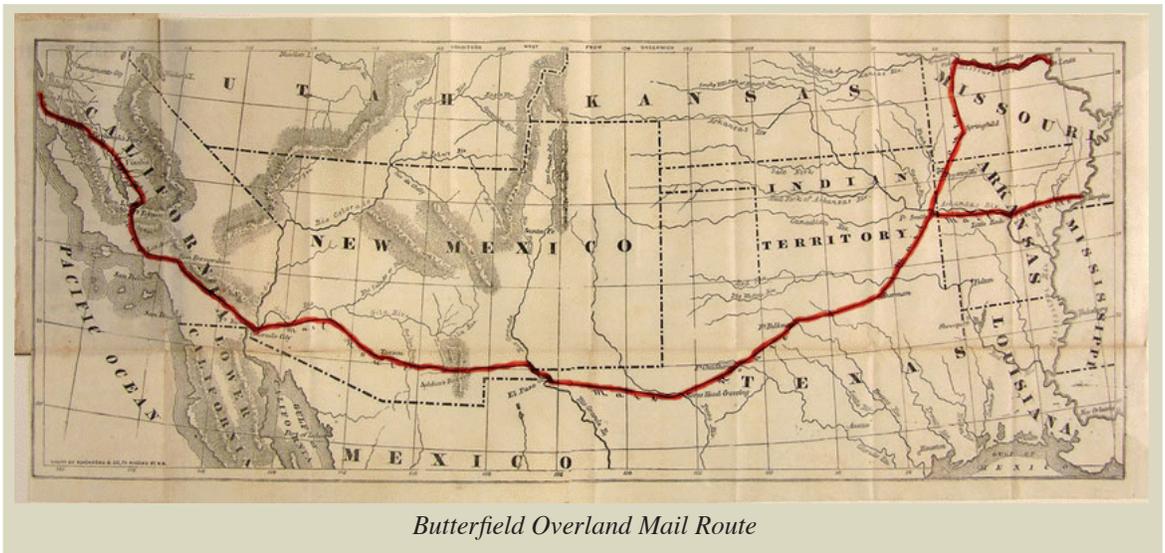
Many transportation routes have crossed the county, from the early Butterfield stage, military roads, and California Trail to the modern highway system. In 1969 Oklahoma State Highway 1 opened. It became known as the Talimena Scenic Byway in 1989, showcasing the area's fall foliage and attracting numerous tourists. In 1961 Pres. John F. Kennedy visited to dedicate U.S. Highway 259.

Robert S. Kerr left a legacy in LeFlore County, where in the 1950s he established a ranch outside of Poteau. Kerr died in 1963. The Kerr family donated his ranch home to the state in 1978, and it was opened as the Kerr Conference Center and Museum. Carl Albert State College, formerly Poteau Junior College, in Poteau operates the center. The Kerr Center for Sustainable Agriculture and the Overstreet-Kerr Historical Farm are also in the county.

The county's major lake is Wister, impounded in 1949 for flood control, conservation, and recreation. The Ouachita National Forest and Heavener Runestone State Park are popular recreation areas that produce income from tourism.

The following are a few of the LeFlore County locations listed on the National Register of Historic Places:

- The Overstreet-Kerr Historical Farm
- The Jenson Tunnel, Oklahoma's only railroad tunnel
- The Peter Conser House, an Oklahoma Historical Society property
- Two stations on the Butterfield Overland mail route, Trahern's Station and Choctaw Agency-Walker Station
- The LeFlore County Courthouse



LeFlore County Demographics

Population: 49,161

Area: 1,585 square miles

2010 Real Property Net Assessed Valuation: \$132,783,975

2010 Personal Property Net Assessed Valuation: \$52,343,250

