



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:

Volume XXII, Issue XI • November 2013

Thanksgiving is right around the corner, so we are working steadily trying to get everything completed for the year. It was a difficult year for the Ad Valorem Division with much to do, and like the county assessors, we sometimes have a thankless job. At least, we have a nice time of year coming up as the holiday season begins shortly.

Our field analysts and staff have had a busy year despite some challenging situations and hard work on the effort amidst all the uncertainty and change.

This was our first time to conduct the 2013 Performance Audit as a live round. Joe Hapgood, CAE, and everyone worked hard to complete the Performance Audit and the 2013 Equalization Study. Thanks to all the counties for their assistance and comments. I was especially impressed by the numerous county assessors and their offices who stepped up their efforts in 2013. We have over a dozen counties that significantly improved their score this year, showing that motivation and effort can move lots of gravel, pebbles, rocks, boulders, and eventually mountains.

Greg Harmon has been working with several of our staff on some fall assistance projects. We appreciate the counties interesting in improving their effort. (We also know that many counties have made great progress this year that will show up on the 2014 Performance Audit.)

Don’t forget that the Equalization Study is still required by statute, and we’ll report that to the State Board of Equalization. The Equalization Study measures existing values in relation to the required assessment percentage, and it reflects keeping current with sold properties. As the Performance Audit is phased in over the next few years, the two studies will grow closer together and eventually merge.

Five-year inspections have been completed, and the November payment on the 2012 applications was made recently. We are predicting the final payment should be in December 2013 if all tax collection trends continue.

We’re expecting a record year on five-year exemptions for next year with the continued advent of expanded wind projects. Doug Brydon predicts the largest single year increase in the history of the program.

Thanks to the Taxpayer Assistance Division of the Oklahoma Tax Commission for putting on a training session on agricultural exemption permits. It was well attended by county assessors and their staffs. We had several good comments on the “hands-on” format.

The Ad Valorem Division had another successful year with the Personal Property Schedule. We received much input and participation during the development of the schedule. Doug Brydon is on task to post the 2013 Personal Property Schedule on January 2, 2014.

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The Public Service Section has worked closely with Legal Division over the last few months, and we have completed the pending public service protests for consideration by the State Board of Equalization at its December meeting. We hope to see everyone at the State Board of Equalization meeting December 2, 2013.

Thanksgiving used to be a time to reach out to other people and share thanks and gratitude with co-workers in county government. Sometimes it seems that old tradition has lost favor, but there's still time to thank the people you work with at some time during the season. It's a great tradition. Remember that some people who don't express their appreciation do realize how important the job is. Thanks for your service and have a good Thanksgiving.

Sincerely,

Jeff Spelman, CAE

P.S. Congratulations to Wade Patterson for being selected as this year's winner of the George Keyes Award for all his hard work with the IAAO Chapter. Well deserved. We wish him good luck on his campaign for the IAAO Executive Board. Don't forget to vote if you're an IAAO member.



Good news!

The 2013 aerial photos are now available for all 77 counties of Oklahoma. As I visit counties throughout the year, I will bring the new aerials. For everyone else, the "2014 Mapping Support" DVD's will be ready for distribution during the CODA Winter Conference. If you really, really have to have the 2013 aerials now and want to download them yourself, the Oklahoma Office of Geographic Information has a website to download from:

- <ftp://ogi.state.ok.us/okmapsftp/imagery/naip/>
- user name: okmapsftp
- password: spamk077

We once again want to thank the USDA Farm Service Agency for making these aerial photos available through the National Agriculture Inventory Program. This makes seven flights through this federal program so far including:

- the 2003 flight (originally scheduled as a two-meter flight, changed to one-meter with monetary assistance from NRCS and county assessors),
- the 2004, 2005, and 2006 two-meter flights, and
- the 2008, 2010, and 2013 one-meter flights.

We previously provided a method of converting MIMS dxf map layers into ESRI shapefiles. This method would not install on Windows 7 computers. We have now written a newer version. This version also imports the MIMS owner database directly into the parcel shapefile. For anyone interested, let me know.

There is this one more ArcGIS training class scheduled through the South Central Arc Users' Group (SCAUG) for 2013:

- December 17th & 18th - ArcGIS Basic Training III.

The link for the classes is: <http://www.scaug.org/Default.aspx?pagelid=1175551>.

Remember: With the end of Daylight Savings Time, every Friday is black (by 6:00pm).



“Let’s Get Personal” Property

by Doug Brydon

The five-year exempt manufacturing inspections are completed. By now, you should have received the “Mill Levy Request” letter. That needs to be returned by November 22, 2013. The first set of printouts to balance to the assessed value, including the XMIs, was mailed by November 15, 2013. The second printouts will be mailed the first week of December. These are the printouts that have to match the tax bill. Remember, according to Rules 710:10-7-18 through 710:10-7-20, a separate account is required for each exemption, and there could be a real and personal bill for one printout. Call Patty at 405-319-8200, if you have any questions. Due to rounding differences between the State and Assessor’s office, corrections may be needed on the tax bill.

The Personal Property Schedule draft is on the web for comments. Here is the remainder of the timeline process for the Personal Property Schedule:

December 2, 2013: The Ad Valorem Division posts its proposed changes to the Business Personal Property Schedule on the website. The entire schedule will not be reposted. Only those sections that the division proposes to change, or those sections where comments were received but the Division is not recommending a change, will be re-posted.

Second Ten-Day Comment Period: Parties wishing to submit written comments on the changes may do so within the ten-day period by December 13, 2013. The Division will post all comments received during the second comment period.

January 2, 2014: Upon approval by the Oklahoma Tax Commissioners, the Business Personal Property Schedule for 2014 will be posted on the website and available for use. Hard copies will not be printed for 2014; the Schedule will only be available through the website.

Even if you’re on the right track, you’ll get run over if you just sit there. -Will Rogers



Earl Pierce is retiring from service with the Ad Valorem Division of the Oklahoma Tax Commission effective November 30, 2013. Earl has served in the CAMA/Equalization Section for 21 years and has been a valuable asset to the division during his tenure.

The Division is hosting a retirement party for Earl on Monday, December 2, 2013 from 1:00 to 3:00 p.m. All are invited to stop by and visit with Earl.

We extend our best wishes to Earl for a happy retirement.

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.





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New Filing System In Place for Agricultural Sales Tax Exemptions

On November 7th, representatives from thirty-one counties visited the Oklahoma Tax Commission office in Oklahoma City for a hands-on demonstration, hosted by the Taxpayer Assistance Division, of the Oklahoma Taxpayer Access Point (OkTAP) system. This system allows taxpayers to enter their own information when applying for, or renewing, agricultural sales tax exemptions if they choose. As many taxpayers will continue to come into their county assessors' offices for help in filing for the exemptions, OkTAP will streamline the process for the assessors' office employees.

In addition to the ease and convenience of OkTAP, taxpayers will also receive a faster turnaround time in processing, once the service is initiated. Please note, however, in anticipation of the December 16th rollout of the new service, the OTC will spend Dec. 6th through the 15th importing information from the old system into OkTAP, thus no permits will be processed during those ten days.

A second OkTAP training will be held in the spring if you missed the November 7th event. Look for sign-up information in an upcoming issue of the Ad Valorem Forum, or by contacting Paula Johnson of Taxpayer Assistance at pajohnson@tax.ok.gov.

Information regarding eligibility of agricultural sales tax exemptions can be found in OTC Publication D "Oklahoma Sales Tax Vendor Responsibilities - Exempt Sales", located on the agency website: www.tax.ok.gov.



Shera Floyd of OTC's TPA Division instructs Renetta Benson and Cindy Tomberlin from Woods County.



Betty Pace and Angie Duncan from Wagoner County, with William Godbout of FAST Enterprises.



Jennifer Ballard and Trina Williams from McIntosh County.



Brenda Neagle and Bonnie Nightengale from Woodward County.



Lynette Ingram and Sherry Harking from Harper County with Paula Johnson (center) from OTC's TPA Division.

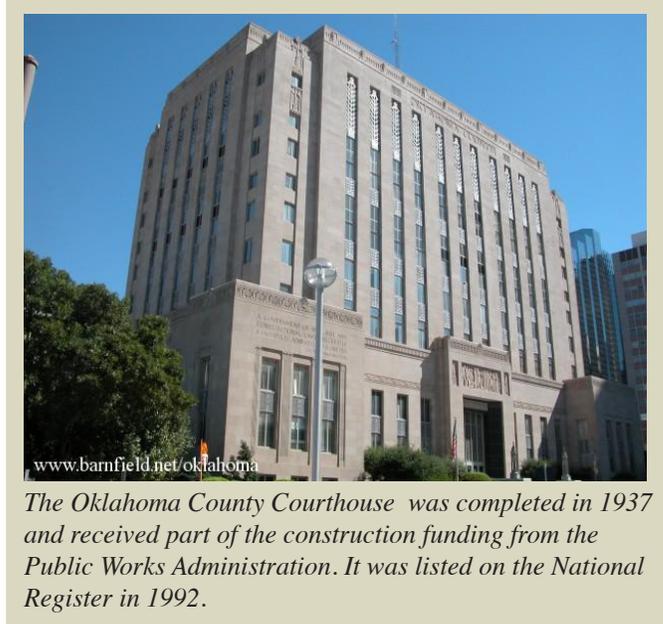




Focus on Oklahoma County

The Oklahoma County area was part of the vacated tribal land known as the Unassigned Lands that were opened to non-Indian settlers in the Land Run of 1889. The origin of the name, Oklahoma, is based on Choctaw Indian words which translate as red people (okla meaning “people” and humma meaning “red”). Recorded history for the name “Oklahoma” began with Spanish explorer Coronado in 1541 on his quest for the “Lost City of Gold.”

Some fifty thousand settlers participated in the opening of the Unassigned Lands. Many claimed land near the established railroad stations. Thus, Oklahoma City became a town of an estimated four to six thousand on the afternoon of April 22, 1889. With the passage of the Organic Act of 1890, seven counties were established. Oklahoma County was originally known as County Two, with Oklahoma City designated as the county seat and Guthrie was designated as the territorial capital.



The Oklahoma County Courthouse was completed in 1937 and received part of the construction funding from the Public Works Administration. It was listed on the National Register in 1992.

The towns and communities in the Unassigned Lands existed under provisional government because the federal government had not foreseen the need to establish laws to govern the new territory. When the U.S. Congress passed the Organic Act on May 2, 1890, the laws of Nebraska applied to the newly formed Oklahoma Territory until local legislation could be passed.

Prior to the 1889 land opening, a railroad was constructed from the Kansas-Oklahoma border through present Oklahoma County. At the North Canadian River, a watering stop for steam engines known as Oklahoma Station was established in 1887. From 1889 to the 1910s city leaders turned the railroad watering stop into a bustling commercial and transportation hub. Henry Overholser, a prominent early settler, had six prefabricated, two-story, wooden buildings transported to Oklahoma City. He built the first opera house and constructed a palatial home, the Overholser House.

A post office was established at Oklahoma Station on December 30, 1887 and became known as Oklahoma City on July 1, 1923.

Oklahoma City was incorporated on July 15, 1890, and William L. Couch served as the first provisional mayor of Oklahoma City and Charles F. Colcord as the first police chief. When Oklahoma City's population more than doubled from 4,151 in 1890 to 10,037 in 1900, the need for housing escalated. To meet the demand John W. Shartel, Anton H. Classen, Gilbert Nichols and others developed residential areas, which resulted in the first urban sprawl.

Rivalry between Guthrie and Oklahoma City for the capital existed until June 11, 1910. By a majority vote of the people on that date, Oklahoma City was selected as the state capital, with Guthrie in second place and Shawnee coming in third. On June 12, 1910, Governor Charles N. Haskell wrote a proclamation on Lee-Huckins Hotel stationery declaring Oklahoma City as the state capital. State government operated from the Lee-Huckins Hotel and rented office space until the Oklahoma State Capitol was completed on June 30, 1917.

County commissioners rented space until a county courthouse was constructed in 1904-05 at 520 West Main Street, Oklahoma City. The sandstone structure featured Victorian Romanesque design and cost approximately \$100,000. The second courthouse, situated at 321 Park Avenue was built during the depression

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by a \$600,000 bond issue and a \$543,000 contribution from the federal Government through the Public Works Administration. The thirteen-story, Art Deco-style edifice was constructed in 1936-37.

Initially the county's economy was primarily based on agriculture. Principal crops were cotton, wheat, corn, oats, Kaffir corn, potatoes, alfalfa, hay, and sorghum. Gradually the county's economy evolved to include oil and gas development, manufacturing, and transportation.

In 1908 Oklahoma County had four brick plants, three flour mills, two cotton oil mills, a cotton compress, and a meat packing plant. The Ford Motor Company was producing automobiles in an Oklahoma City plant. Jay Cola (Jay-Kola) Bottling Works was among ten Oklahoma City bottlers. The capital city also boasted broom manufacturers, brick plants, garment factories, furniture manufacturing, and mattress manufacturers.

Soon after the land opening, settlers established subscription schools until taxes could be assessed to support public schools. The first official year of public schools in Oklahoma Territory began on January 1, 1891. A \$60,000 Carnegie grant was used to construct a public library in 1899. Two business colleges opened in 1903 and 1905. By 1909 Oklahoma City had ten public school buildings. Today, Oklahoma County has numerous school districts surrounding the Oklahoma City Public Schools District which is the largest in the state.

Around 1917 to 1919 geologists discovered oil and gas around Oklahoma City, but the petroleum industry in Oklahoma County was not prosperous until the Oklahoma City Discovery Well was completed in December 1928. By the 1930s hundreds of wells had been drilled in the Oklahoma City Field. Many gushers and blowouts occurred including the Sudik Number One, better known as the Wild Mary Sudik. In the 1930s Oklahoma City had twelve oil refineries and approximately fifty oil companies. Many machine and oil field tool shops supported the petroleum and other industries. The Oklahoma City Field expanded until 1935, after which it declined in production.

With the advent of the automobile, better roads began to evolve in the 1910s and 1920s. Around 1916, one year after the Oklahoma City Model-T Ford assembly plant began operation, the number of automobiles outnumbered horses. Braniff International Airways had its start in Oklahoma City in 1928, and Central Airlines began operations in 1949. In the early 1940s three airlines (American, Braniff, and Continental) and ten bus lines served the city.

The 1930s were marked by the Great Depression and the subsequent federal New Deal programs, such as the Works Progress Administration (WPA), the Public Works Administration (PWA), and the Civilian Conservation Corps (CCC). During the depression, unemployed, migratory persons established a camp in Oklahoma City along the North Canadian River. Local organizations furnished clothing, food, and supplies to the destitute before federal aid became available. Federal programs created construction jobs which built the Municipal Auditorium and amphitheaters at several municipal parks. A public art gallery opened



One of the more prominent landmarks in downtown Oklahoma City is the Crystal Bridge at the Myriad Botanical Gardens, a 17-acre park in the heart of the city.



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January 5, 1936, and the Oklahoma City Symphony Orchestra was initiated under the Federal Music Project of the WPA in 1937.

Oklahoma City's WKY Radio was the first radio station transmitting west of the Mississippi River and the third radio station in the United States. WKY received its federal license in 1921 and has continually broadcast under the same call letters since 1922.

Air transportation developed in the 1920s with aviators in Oklahoma using farmland or any flat area to land their aircraft. In 1920 several small airfields were in place. A hangar was constructed near Britton Road & May Avenue, which

aviator Wiley Post utilized beginning in 1934 when he designed and modified his planes. During World War II, the U.S. Army Air Corps utilized the Oklahoma City Municipal Airport and renamed it Will Rogers Air Field. In 1946 the U.S. Army returned that air field back to Oklahoma City. At the turn of the twenty-first century the Will Rogers World Airport remained the busiest airport in the state. The Wiley Post Airport (originally known as Tulakes Airport) located in Bethany, serves business and corporate air travelers.

With the onset of World War II, the Oklahoma City metropolitan area gained the Midwest City Douglas Aircraft Company Plant. The plant closed in 1945, and the building was designated as Building 3001 at Tinker Air Force Base. The Federation Aviation Agency replaced the Civil Aviation Authority in 1958, and the installation is now known as the Mike Monroney Aeronautical Center.

Before World War II, Oklahoma City developed major stockyards, attracting jobs and revenue formerly in Chicago and Omaha, Nebraska.

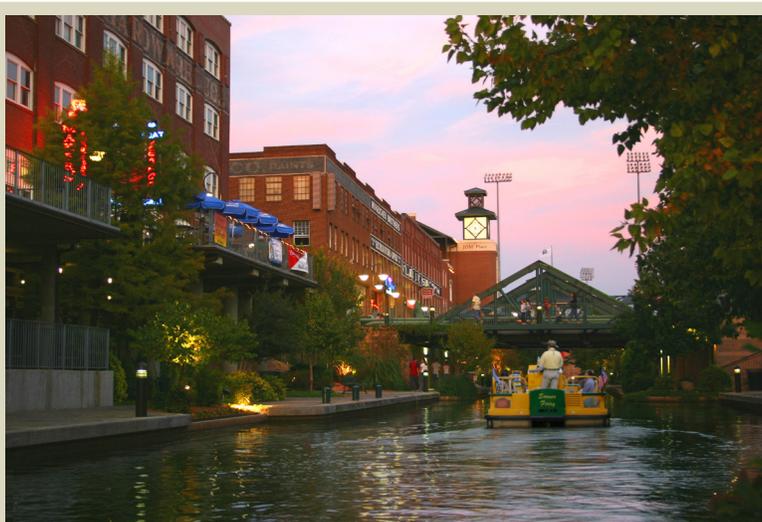
The General Motors Assembly Plant was a large employer in Oklahoma County producing passenger cars and sport utility vehicles from 1979 until its closing in spring 2006.

Oklahoma County has many private and public colleges including:

- University of Central Oklahoma - founded 1890 in Edmond as Territorial Normal School, first school of higher education in the state
- Oklahoma City University - founded in 1904 as Epworth University
- Southern Nazarene University - founded in 1909, Bethany
- Oklahoma Christian University of Science and Arts- opened in 1958
- Rose State University - Midwest City, opened Fall 1970
- Oklahoma State University-Oklahoma City branch founded in 1961
- Oklahoma City Community College opened in 1972

Oklahoma County has 108 National Register of Historic Places listings. Among them are:

- Farmers' Public Market, Oklahoma City
- Stockyards City Historic District, Oklahoma City
- Threatt Filling Station, Luther
- Tuton's Drugstore, Arcadia
- Skirvin Hotel, Oklahoma City
- Overholser Mansion, Oklahoma City



Bricktown in downtown Oklahoma City is the venue for a movie theater, restaurants, retail shops, baseball park and business offices. A water taxi makes its way through the Bricktown neighborhood.



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- Colcord Building - 12 stories, considered OKC's first skyscraper in 1910
- Arcadia Round Barn, on Rt. 66 in Arcadia
- Harn House, Oklahoma City

Points of Interest:

- Oklahoma History Center
- National Cowboy and Western Heritage Museum
- Oklahoma City National Memorial and Museum
- Oklahoma City Museum of Art
- Omniplex Science Museum
- Oklahoma City Zoological Park
- Bricktown Ballpark, home of the Redhawks and the Big 12 Baseball Tournament
- Martin Park Nature Center
- Will Rogers Park - Lycan Conservatory & Gardens, all built in the WPA era
- Chesapeake Arena, home of the Oklahoma City Thunder NBA team

Notable residents:

- Vince Gill, country music singer
- Sam Bradford, NFL player, Heisman Trophy winner
- Greyson Chance, pop music artist from Edmond
- Wanda Jackson, Rock and Roll Hall of Fame
- Toby Keith, country music singer
- Jane Anne Jayroe, Miss America 1966
- Blake Griffin, NBA player, Los Angeles Clippers



Skyline of downtown Oklahoma City.



Oklahoma County Demographics

Population: 718,633

Area: 720 square miles

2012 Real Property Net Assessed Valuation: \$4,671,315,671

2012 Personal Property Net Assessed Valuation: \$898,461,848

