

STATE BOARD OF EQUALIZATION

June 17, 2024, 1 PM

**Governor's Large Conference Room
Second Floor – State Capitol Building**

MINUTES

The State Board of Equalization met on June 17, 2024, at 1 PM in the Governor's Conference Room on the second floor of the State Capitol Building. The members were notified by e-mail.

Members present:

Governor Kevin Stitt
Lt. Governor Matt Pinnell
Cindy Byrd, State Auditor and Inspector
Ryan Walters, Superintendent of Public Instruction
Gentner Drummond, Attorney General
Todd Russ, State Treasurer

Member absent:

Blayne Arthur, Chairman of the Board of Agriculture

Guests who took part in discussion:

John Gilbert, Budget Analyst, OMES
Joe Hapgood, Director – Ad Valorem Division, Oklahoma Tax Commission

Agenda Item #1 – Call to Order

Lt. Governor Pinnell called the meeting to order.

Agenda Item #2 – Roll Call

Roll call was taken, and a quorum was established.

Agenda Item #3 – Announcement of filing of regular meeting notice and posting of the agenda in accordance with the Open Meeting Act.

Agenda Item #4 – Disposition of minutes of the February 15, 2024, meeting

MR. WALTERS MOVED TO ACCEPT THE MINUTES AS PRESENTED. Ms. Byrd seconded the motion. Roll call was taken, and all members voted “aye”. Motion carried.

Agenda Item #5 – Discussion and possible action to re-certify, modify, or reject funds available for appropriations by the legislature for fiscal year ending June 30, 2025.

LT. GOVERNOR PINNELL MADE A MOTION TO CERTIFY THE FY 2025 REVENUE ESTIMATE OF CERTIFIED STATE FUNDS OF \$8,771,414,286 AND APPROPRIATIONS AUTHORITY OF

\$8,332,843,572 AND FEDERAL FUNDS AVAILABLE FOR APPROPRIATION OF \$103,767,957. Mr. Russ seconded the motion. Roll call was taken, and all members present voted “aye”. Motion carried.

Agenda Item #6 - Discussion and possible action to certify County Abstracts of Valuation and Assessment for the several counties of the state for fiscal year beginning July 1, 2024

Mr. Hapgood explained this is the meeting when the State Board reviews all the county abstracts. If the abstracts are in order the counties may proceed with their budgetary process. Mr. Hapgood reported that 77 counties have filed the abstracts with one questionable abstract and are in order and to be forwarded to the State Auditor and Inspector and further authorize the Oklahoma Tax Commission to review any abstracts filed after the date of this meeting and forward those that are properly filed to the State Auditor and Inspector.

MR. DRUMMOND MADE A MOTION TO ACCEPT THOSE COUNTY ABSTRACTS THAT HAVE BEEN TIMELY AND PROPERLY FILED UNDER 68 O.S. 2011 § 2867 AND DIRECT THE OKLAHOMA TAX COMMISSION TO FORWARD THESE ABSTRACTS TO THE STATE AUDITOR AND INSPECTOR AND FURTHER AUTHORIZE THE OKLAHOMA TAX COMMISSION TO REVIEW ANY ABSTRACTS FILED AFTER THE DATE OF THIS MEETING AND FORWARD THOSE THAT ARE PROPERLY FILED TO THE STATE AUDITOR AND INSPECTOR. Mr. Walters seconded the motion. Roll call was taken, and all members present voted “aye”. Motion carried.

Agenda Item #7 - Discussion and possible action on findings and recommendation of the Oklahoma Tax Commission regarding the compliance status of Sequoyah County with the Equalization Study

MS. BYRD MADE A MOTION TO ACCEPT THE REPORT AND RECOMMENDATION OF THE OKLAHOMA TAX COMMISSION, AD VALOREM DIVISION REGARDING COUNTY COMPLIANCE FINDINGS FOR THE EQUALIZATION STUDY AND FIND SEQUOYAH COUNTY IN CATEGORY II NON-COMPLIANCE. Mr. Walters seconded the motion. Roll call was taken, and all members present voted “aye”. Motion carried.

Agenda Item #8 – Discussion and possible action on findings and recommendation of the Oklahoma Tax Commission for certification of fair cash values of Oklahoma taxable property of railroads, air carriers and public service corporations 68 O.S. 2011, Sections 2858 & 2859.

Mr. Hapgood reported approximately 289 public service companies were valued this year and we are requesting the board accept these values at this time.

LT. GOVERNOR PINNELL MADE A MOTION TO ACCEPT AND CERTIFY THE FINDINGS OF THE OKLAHOMA TAX COMMISSION AS TO THE FAIR CASH VALUES OF OKLAHOMA TAXABLE PROPERTY OF RAILROADS, AIR CARRIERS AND PUBLIC SERVICE CORPORATIONS UNDER 68 O.S. SECTIONS 2858 AND 2859. Mr. Russ seconded the motion. Roll call was taken, and all members present voted “aye”. Motion carried.

Agenda Item #9 – Discussion and possible action on findings of the Oklahoma Tax Commission as to late filing penalties to be assessed on railroads, air carriers and public service corporations under 68 O.S. 2011, Section 2857(B)

Mr. Hapgood stated under the statutes it is the obligation of the board to assess penalties for public service, railroad, and airlines that file late with the Tax Commission. He also stated that 18 companies did not meet the filing deadline resulting in a penalty amount of \$54,419.

MR. DRUMMOND MADE A MOTION TO ASSESS THE LATE FILING PENALTIES AS RECOMMENDED BY THE OKLAHOMA TAX COMMISSION AS PRESENTED UNDER 68 O.S. § 2857 (B) AS AMENDED, AND TO WAIVE THE ASSESSMENT OF PENALTIES FOR THOSE COMPANIES WITH A LATE FILING PENALTY OF \$100 OR LESS. Mr. Walters seconded the motion. Roll call was taken, and all members present voted “aye”. Motion carried.

Agenda Item #10 – Discussion and possible action to waive the late filing penalties of Public Service Company of Oklahoma (ADV-10018896-21), Air Wisconsin Airlines, LLC (ADV-10087936-06), Atlink Services, LLC (ADV-10044842-10), and AMG Oklahoma ISP, LLC (ADV-15271914-09) based on documented and verified system errors with filing the returns.

MR. RUSS MADE A MOTION TO WAIVE THE LATE FILING PENALTIES FOR PUBLIC SERVICE COMPANY OF OKLAHOMA (ADV-10018896-21), AIR WISCONSIN AIRLINES, LLC (ADV-10087936-06), ATLINK SERVICES, LLC (ADV-100448842-10), AND AMG OKLAHOMA ISP, LLC (ADV-15271914-09) AS RECOMMENDED BY THE OKLAHOMA TAX COMMISSION AND CONTAINED IN THE REPORT TO THE STATE BOARD OF EQUALIZATION. Ms. Byrd seconded the motion. Roll call was taken, and all members present voted “aye”. Motion carried.

Agenda Item #11– Discussion and possible action to partially waive the late filing penalty of Velocity, A Managed Services Company, Inc. (ADV-10272880-15) based on documented and certified system errors with filing the return.

MR. DRUMMOND MADE A MOTION TO PARTIALLY WAIVE THE LATE FILING PENALTY FOR VELOCITY, A MANAGED SERVICES COMPANY, INC. (ADV-10272880-15), AS RECOMMENDED BY THE OKLAHOMA TAX COMMISSION AND CONTAINED IN THE REPORT TO THE STATE BOARD OF EQUALIZATION. Lt. Governor Pinnell seconded the motion. Roll call was taken, and all members present voted “aye”. Motion carried.

Agenda Item #12 – Discussion and possible action to establish an assessment ratio for railroads, air carriers, public service corporations and video service providers.

Mr. Hapgood explained the constitution requires the board to establish values for railroads, air carriers, and public service corporations. The assessment ratios are now frozen at the 1996 level: 11.84% for railroads and air carriers, 22.85% for public service corporations, and 12% for video service providers.

MS. BYRD MADE A MOTION TO ESTABLISH AN ASSESSMENT RATIO OF 11.84% FOR RAILROADS AND AIR CARRIERS, 22.85% FOR PUBLIC SERVICE CORPORATIONS, AND 12%

FOR VIDEO PROVIDERS, UNDER 68 O.S. § 2847. Mr. Walters seconded the motion. Roll call was taken, and all members present voted “aye”. Motion carried.

Agenda Item #13 – New Business – no new business

Agenda Item #14– Adjournment

MS. BYRD MADE A MOTION TO ADJOURN. Lt. Governor Pinnell seconded the motion. Governor Stitt declared the meeting adjourned.