



BILL/VERSION:	HB 2140/ ENGROSSED	ANALYST: CJ
AUTHORS:	Rep. Kannady / Sen. Thompson	DATE: 3/28/2025
TAX(ES):	Ad Valorem	
SUBJECT(S):	Valuation	
EFFECTIVE DATE:	November 1, 2025	Emergency ☐

ESTIMATED REVENUE IMPACT:

FY26: No impact to state revenue but may impact local tax revenue.

Analysis: HB 2140 seeks to amend 68 O.S. §§ 2802, 2803 & 2817, relating to real property tax assessment by introducing a new classification for “residential rental housing.” The legislation defines “residential rental housing” as a single tax parcel development or redevelopment that contains a building or buildings with at least 60 individual rental units that are used for multifamily housing. “Multifamily housing” refers to residential buildings or complexes that contain multiple separate units for occupancy by multiple households.

The bill expands the scope of real property assessments by adding residential rental housing as a distinct tax classification, and by establishing guidelines for assessing newly constructed properties. After building has been completed for residential rental properties, the initial assessed value will be capped at the fair cash value of the land plus documented improvement costs. This assessment continues for one year, unless the property is sold. There is no impact to state tax revenue. The measure may reduce tax revenue to local taxing jurisdictions; however, the extent of the impact is unknown due to insufficient data on these properties.

3/28/25

DATE

Huan Gong

DR. HUAN GONG, CHIEF TAX ECONOMIST

4/1/25

DATE

Marie Schuble

MARIE SCHUBLE, DIVISION DIRECTOR

4/1/25

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Joseph P. Gappa

JOSEPH P. GAPPA, FOR THE COMMISSION

The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.