OKLAHOMA
Tax Commission

REVENUE IMPACT STATEMENT
2025 REGULAR SESSION
60TH LEGISLATURE, 1ST SESSION

BILL/VERSION:	**SB 678 (req. 1806)** / COMMITTEE SUB	**ANALYST**: EC
AUTHORS:	Sen. Pederson	**DATE**: 2/28/2025
TAX(ES):	Ad Valorem Tax	
SUBJECT(S):	Fund Creation	
EFFECTIVE DATE:	July 1, 2025	**Emergency** ☒

ESTIMATED REVENUE IMPACT:
FY26: None.
FY27: None.

ANALYSIS: SB 678 creates the Centrally Assessed Ad Valorem Volatility Reimbursement Fund to assist Oklahoma counties experiencing a 50% or greater decrease in net-assessed value across all centrally assessed properties, along with at least one school district experiencing a 10% or greater reduction in ad valorem tax revenue[1]. The fund will provide 25% reimbursement[2] for two years following the decline, prioritizing school district funding before county funds. Counties must apply for reimbursement through the Oklahoma Tax Commission by December 1 each year, and total reimbursements cannot exceed the fund balance, with proportional reductions if claims exceed available funds. An initial $2 million is allocated for the fund from monies not otherwise appropriated from the general revenue fund in FY24.

Administrative Impact:
Administrative impacts are minimal and include the need for the Oklahoma Tax Commission to develop processes to efficiently verify and process reimbursement claims.

[1] The introduced version proposed reimbursement for counties with a decline of $250k or more in ad valorem tax revenue.
[2] The measure does not specify the entity or fund to which payments shall be directed.

2/28/25	Huan Gong
DATE	DR. HUAN GONG, CHIEF TAX ECONOMIST
3/3/25	Marie Schuble
DATE	MARIE SCHUBLE, DIVISION DIRECTOR
3/3/25	Joseph P. Gappa
DATE	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.