



BILL/VERSION: SB 1098 / SENATE FLOOR

ANALYST: EC

AUTHORS: Sen. Thompson

DATE: 3/7/2025

TAX(ES): Ad Valorem

SUBJECT(S): Property Tax Valuation

EFFECTIVE DATE: November 1, 2025

Emergency ☐

ESTIMATED REVENUE IMPACT:

FY26: No impact to state revenue, unknown decrease to local tax revenue.

ANALYSIS: SB 1098 seeks to amend 68 O.S. §§ 2802, 2803 & 2817, focusing on real property tax assessment by introducing a new classification for "Residential rental housing." This category includes single tax parcels with multifamily housing or two or more single-family rental homes. "Multifamily housing" refers to residential buildings or complexes designed to accommodate 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 year¹, unless the property is sold, leased, or repurposed for non-sales office use. 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.

¹ The introduced version of SB 1098 proposed the assessment to remain unchanged for two years.

3/7/25

DATE

Huan Gong

DR. HUAN GONG, CHIEF TAX ECONOMIST

3/11/25

DATE

Marie Schuble

MARIE SCHUBLE, DIVISION DIRECTOR

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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.