OKLAHOMA
Tax Commission

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

BILL/VERSION:	**SB 1114** / ENGROSSED	**ANALYST**: EC
AUTHORS:	Sen. Woods / Rep. Kannady	**DATE**: 4/11/2025
TAX(ES):	Ad Valorem	
SUBJECT(S):	Credit	
EFFECTIVE DATE:	Subject to voter approval.	**Emergency** ☐

ESTIMATED REVENUE IMPACT:

FY27[1]: No impact to state revenue, unknown decrease to local tax revenue.

ANALYSIS: SB 1114 proposes a constitutional amendment to Section 8C of Article X of the Oklahoma Constitution[2]. If approved by voters, the measure would establish a property tax credit for homeowners eligible for the fair cash value increase limitation (commonly referred to as the Senior Freeze).

The credit would equal the difference between the homeowner's current year property tax liability and the tax liability from the first year they qualified for the Senior Freeze. If, in the first year of eligibility, the tax liability exceeded the prior year's, no credit would be awarded. Homeowners must apply annually by October 1 through their county assessor. The county assessor will apply the credit to reduce the property tax liability, however, the credit cannot lower the tax liability below zero.

The measure does not impact state tax collections. Due to the unavailability of individual "senior freeze" homestead data, the credit is expected to result in an unknown reduction in local tax revenue.

ADMINISTRATIVE CONCERNS: The proposal may create administrative challenges at the local level, as it relies on tax information that local assessors do not typically manage directly. This shift in approach could require adjustments to existing systems or processes, potentially increasing the administrative burden for local officials.

[1] SB 1114, if approved by voters, would take effect as early as tax year 2026, affecting FY27 revenue.
[2] Homeowners aged 65 or older with a household income at or below the median income for their county, as determined by the U.S. Department of Housing and Urban Development (HUD), may qualify for a limitation on fair cash value increases under Section 8C of Article X of the Oklahoma Constitution.

4/11/25	Huan Gong
DATE	DR. HUAN GONG, CHIEF TAX ECONOMIST
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DATE	MARIE SCHUBLE, DIVISION DIRECTOR
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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.