APPLICATION FOR FIVE-YEAR AD VALOREM TAX EXEMPTION FOR OKLAHOMA MANUFACTURING OR RESEARCH & DEVELOPMENT FACILITIES

INCOMPLETE APPLICATIONS WILL BE NULL AND VOID
(SEE ENCLOSED INSTRUCTIONS)

To County Assessor of _____ County

Year Company was Established in Oklahoma _____

Year This Facility became Operational in Oklahoma _____

Year Assets Acquired _____ Federal ID# _____

Manufacturers Sales Tax Exemption Permit # _____

FOR ASSESSOR USE ONLY	
Application XM#	Millage
Date Filed	Sch. Dist.
Real Acct #	Pers Acct #

Application is hereby made for ad valorem tax exemption on an exempt manufacturing facility or research and development facility located in the above county on January 1, _____, in accordance with the provisions of 68 O.S., Section 2902, as amended.

APPLICANT NAME:
MAILING ADDRESS:
CORPORATE CONTACT NAME, TELEPHONE AND E-MAIL ADDRESS: _____
FACILITY CONTACT NAME AND TELEPHONE:
FACILITY PHYSICAL LOCATION:

EMPLOYEE BASIC HEALTH INSURANCE CARRIER:
INSURANCE CARRIER MAILING ADDRESS:
POLICY NUMBER:

APPLICABLE NAICS CODE(S) AND MATERIALS USED:
MANUFACTURING ACTIVITY DESCRIPTION:

2. **Is the facility a research and development facility as defined in Title 68 O.S. 2001 Supp. §2902 as amended?**
   YES ____ NO ____ If yes, explain the activity: R
   EXPLANATION:_____

3. **Is this the Initial Year of the application? YES___ NO___**

4. **Has the applicant continued to operate all facilities in Oklahoma? YES ____ NO _____ If no, explain the circumstances involved. EXPLANATION: _____**

5. **Is this Personal Property Only? YES____ NO _____ If No, continue. If Yes, please skip to Question 7**

6A. **Is this a concern that was not engaged in business in Oklahoma or did not have property subject to ad valorem taxation in Oklahoma and constructed a facility or acquired an existing facility which had been unoccupied for 12 months?**
YES ____ NO ____ If yes, complete the following:

Date last occupied :		**Name of former owner or occupant:**	
Date acquired by applicant:		**Date occupied by applicant:**	
Date construction began:		**Date construction completed:**	
Total costs:		**Total square feet of building:**	
Total land area currently used for manufacturing or research & development:			

6B. **Is this a concern that was engaged in business in this state or had property subject to ad valorem taxation in this state and constructed a facility in Oklahoma at a different location and continued to operate all its facilities in Oklahoma to January 1 of this year? YES ____ NO ____ If yes, complete the following:**

Date construction began:		**Date construction substantially completed:**	
Total costs:		**Total square feet of building prior to expansion:**	
Total sq. feet of building after expansion:		**Total area of land in use prior to expansion:**	
Total area of land in use after expansion:			

6C. **Is this a concern that was engaged in business in this state or had property subject to ad valorem taxation in this state and expanded an existing facility and this exemption is claimed on the expansion of an existing facility?**
YES ____ NO ____ If yes, complete the following:

Date construction or expansion began:		**Date construction or expansion completed:**	
Total costs:		**Total square feet of building prior to expansion:**	
Total sq. feet of building after expansion:		**Total area of land in use prior to expansion:**	
Total area of land in use after expansion:			

6D. **Is this a concern that was engaged in business in this state or had property subject to ad valorem taxation in this state and acquired an existing facility in Oklahoma which had been unoccupied for 12 months or longer and continued to operate all its facilities in Oklahoma to January 1 of this year? YES ____ NO ____ If yes, provide the following:**

Date last occupied:		**Name of former owner or occupant:**	
Date acquired by applicant:		**Date occupied by applicant:**	
Total costs:		**Total square feet of building:**	
Total land area currently used for manufacturing or research & development:			

7. **Please indicate property owned at this facility and its value on which exemption is being claimed. Exclude licensed/tagged vehicles.**
(USE PAGE 6 WORKSHEET)

OWNED PROPERTY	ORIGINAL COST OF OWNED PROPERTY	YEAR ACQUIRED OR CONSTRUCTED	NEW OR USED
LAND			
BUILDINGS			
MACHINERY & EQUIPMENT			
LEASEHOLD IMPROVEMENTS			
TOTAL REQUESTED			

All cost amounts rendered for machinery or leasehold must be substantiated with itemized lists, giving a description of the asset, original cost, and year acquired. Please attach the additional pages to this form and identify as to item or question.

8A. **If real or personal property is leased using a lease-purchase agreement, attach a copy of the lease and indicate the following: (USE PAGE 6 WORKSHEET)**

LEASE REAL AND PERSONAL PROPERTY		
	CONTRACT PURCHASE AMOUNT	DATE OF TITLE CONVEYANCE
LAND		
BUILDINGS		
MACHINERY & EQUIPMENT		

8A-1 **Are lease payments applied to the purchase price? YES ____ NO ____ If no, explain:**
EXPLANATION: _____

8B. **Is the lease-purchase amount stated in the agreement? YES ____ NO ____ If yes, for what amount?** _____

Note 1: If additional space is required for this question, attach an addendum as needed. Specifically list all leased machinery and equipment by description, model year, and purchase amount.

Note 2: The filing of this application for exemption on certain exempt property <u>does not</u> relieve the applicant from the responsibility of listing <u>all</u> taxable property with the county assessor.

Note 3: It will be necessary for Tax Commission personnel to examine the facilities claimed for exemption.

AFFIDAVIT

STATE OF OKLAHOMA

_____ COUNTY

I, _____, being first duly sworn, according to law, depose and say: that I am the _____ of _____ Company; that as such I am acquainted and know the accompanying statements, as shown by the exhibits, schedules and property listings herein to be true, correct and complete, as reflected by the records and books of account of the Company; and that all information requested herein has been fully and correctly given.

_____

Applicant Signature

Subscribed and sworn to before me this _____ day of _____, ___.

Seal

_____

Notary Public Signature

My Commission Expires: _____

Assessor Use Only

The assessment percentages for this county are as follows:

Real Property: _____% **Personal Property: _____%**

Located in school district: _____

Ad Valorem Reference Number: _____

Signed: _____, County Assessor

Date:_____

EMPLOYMENT AND PAYROLL COMPLIANCE
FOR OKLAHOMA AD VALOREM MANUFACTURING EXEMPTION

FACILITY_____ **DATE:** _____

Generally, see Oklahoma Statutes Title 68, section 2902 (C), as amended, for payroll requirements.

Please note that "no manufacturing concern shall receive more than one five-year exemption for any one manufacturing facility unless the expansion which qualifies the manufacturing facility for an additional five-year exemption meets the requirements of paragraph 4 of this subsection **and the employment level established for any previous exemption is maintained**." 68 O.S. 2902 (C) (2) as amended.

If the facility is located in a county with a population of fewer than seventy five thousand (75,000), according to the most recent Federal Decennial Census, there must be a net increase in annual payroll **at the facility** of at least Two Hundred Fifty Thousand Dollars ($250,000.00). 68 O.S. 2902 (C) (4)(a)(ii) as amended.

If the facility is located in a county with a population of seventy five thousand (75,000) or more, according to the most recent Federal Decennial Census, there must be a net increase in annual payroll **at the facility** of at least One Million Dollars ($1,000,000.00). 68 O.S. 2902 (C) (4)(a)(ii) as amended.

The Tax Commission is required to verify payroll information through the Oklahoma Employment Security Commission. 68 O.S. 2902 (C) as amended.

Each manufacturing concern applying for this exemption must provide payroll information for each of its facilities, in order to ensure statutory compliance, and for any other entities that it may operate in Oklahoma in order to verify the payroll information with the Oklahoma Employment Security Commission ("OESC").

FACILITY PAYROLL:

Exemption year requested	Total payroll at this facility in the calendar year prior to submission of this application	Total payroll at this facility in the calendar year prior to property placed in service:	Net increase or decrease of payroll
Yr . ___ 1			
Yr.____ 2			
Yr.____ 3			
Yr.____ 4			
Yr.____ 5			

OKLAHOMA EMPLOYMENT SECURITY COMMISSION PAYROLL:

Exemption year requested	Total payroll submitted to OESC for year prior to this submission of application:	Total payroll submitted to OESC for calendar year prior to property placed in service:	Net increase or decrease of payroll
Yr . ___ 1			
Yr.____ 2			
Yr.____ 3			
Yr.____ 4			
Yr.____ 5			

If the payrolls listed above are not identical, please list the reason for any discrepancies below. Include payroll amounts for any other facilities, retail stores, etc. that a manufacturing concern might have that would be reported with this facility's payroll to the OESC.

_____

_____

ATTACH OES-3'S FOR EACH QUARTER OF EACH YEAR

EMPLOYMENT AND PAYROLL COMPLIANCE
FOR OKLAHOMA AD VALOREM MANUFACTURING EXEMPTION

EXAMPLE

Exemption year requested	Total payroll at this facility in the calendar year prior to submission of this application	Total payroll at this facility in the calendar year prior to property placed in service	Net increase or decrease of payroll
Yr . 2010 1	2009	2008	2009-2008
Yr. 2011 2	2010	2008	2010-2008
Yr. 2012 3	2011	2008	2011-2008
Yr. 2013 4	2012	2008	2012-2008
Yr. 2014 5	2013	2008	2013-2008

Column 1 = The year of the application

Column 2 = The payroll for the year prior to the application

Column 3 = The Base Year Payroll - This payroll should stay the same for all five years

Column 4 = The difference between Column 2 and Column 3 as indication of payroll increase or decrease

INSTRUCTIONS FOR APPLICATION FOR
FIVE-YEAR AD VALOREM TAX EXEMPTION FOR
OKLAHOMA MANUFACTURING OR RESEARCH AND DEVELOPMENT FACILITIES
(OTC FORM 900XM-R08/09)

Every question must be completed. If additional space is needed to properly answer or explain any item, attach additional pages and identify as to item or question number. Some questions may not apply in your situation; mark those questions N/A for not applicable.

Submit one application for each year in which assets were acquired. Since each asset group will have a different number of years of remaining eligibility, assets acquired in different years must be separated and submitted on separate applications. In some cases applicants may be filing 5 complete sets of applications, one for each asset group. Upon completion of application please mail to the county assessor's office in which the facility is located.

Page 1 The year in which each asset group was acquired should appear in the upper right hand corner marked Assets Acquired _____.

Page 1 The tax year for which you are filing the application should appear in the first paragraph in the blank marked January 1, ___.

Question 1 asks for the North American Industrial Classification System (NAICS) for each specific activity and a description of the activity. North American Industrial Classification System Manuals are published by the Office of Management and Budget in Washington D.C., and can be obtained at most libraries or from your county assessor's office. In describing the activity please be as descriptive as possible in describing the activity.

You must answer either question 6A, 6B, 6C, 6D to indicate which of the four (4) possible eligible scenarios applies to your situation if real estate is involved.

Question 7 indicates the amounts you are claiming on the exemption on eligible property located in Oklahoma on January 1. You must be explicit and be able to provide documentation to substantiate the amounts reflected on the itemized asset list.

Question 8 pertains to leased assets which are eligible if a state of leasehold equity exists. When the lease is structured as a mortgage or with the lease payments dedicated to debt retirement the assets would be eligible for the exemption.

Page 4 is the signature page. Be sure that the signature and notary is correct and current.

Page 5 is the State of Oklahoma Employment Level and Payroll Affidavit. Complete this form as instructions indicate. (example on page (b))

******If you are a Distribution Center please contact the Oklahoma Tax Commission, Ad Valorem Division 405-319-8200, for an additional form to establish the number of Full time Employees(FTE).*****

Page 6 is the Personal Property Appraisal Worksheet. List the Item Number, Description of Equipment, Year Acquired and Original Cost. (On first time applications only, if more than 100 items submit a disk, along with hard copy, in worksheet format with listing on first time applications only)

PERSONAL PROPERTY APPRAISAL WORKSHEET FOR
FIVE-YEAR AD VALOREM TAX EXEMPTION
FOR MANUFACTURING OR RESEARCH AND DEVELOPMENT FACILITIES

REPLACEMENT COST LESS NORMAL DEPRECIATION

FACILITY:

												FOR OTC USE ONLY		
Item #	MFG'er	Model NO.	Equip Name	Equip Type	Size	DESCRIPTION OF EQUIPMENT	Purchase Year	N/U	Original COST	Other Costs	Total Costs	Property Class	Property SubClass	CO #