

IN ORDER TO COMPLY WITH THE LAW

INCOMPLETE APPLICATIONS WILL BE DENIED

All remitted paperwork shall have **NO** character font size **less** than **10**, **Times New Roman**. Any paperwork printed with character font sizes less than 10, Times New Roman, shall be excluded from the application.

- Completed Applications **MUST** be filed each year with the County Assessor before March 15
See 68 O.S. supp 2004 § 2902 (E), (as amended by S.B. 1146, emerg. Eff. June 4, 2004).
- County Assessor **MUST** file all applications to the Tax Commission by June 15.
See 68 O.S. supp 2004 § 2902 (F), (as amended by S.B. 1146, emerg. Eff. June 4, 2004).
- **INCOMPLETE** applications will be declared **null and void**.
See 68 O.S. supp 2004 § 2902 (F), (as amended by S.B. 1146, emerg. Eff. June 4, 2004).
- Applications filed **after** June 15 will be declared **null and void**.
See 68 O.S. supp 2004 § 2902 (F), (as amended by S.B. 1146, emerg. Eff. June 4, 2004).

**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 ___
- 3B. Is property in a Tax Incremental District? 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 qualifying investment 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			
BUILDING			
MACHINERY & EQUIPMENT			
LEASEHOLD IMPROVEMENT			
INTANGIBLE PERSONAL PROPERTY*			
TOTAL INVESTMENT			

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.

*Intangible personal property is non-taxable in Oklahoma beginning January 1, 2013. Any intangible personal property that is embedded in the qualifying investment amount must be itemized on page 6. The amount calculated for reimbursement must not contain any intangible personal property and value. The investment amount will not be affected only the amount for local reimbursement. Intangible personal property must be identified, documented, and valued by the applicant. The Oklahoma Tax Commission reserves the right to request any additional information.

- 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 does not relieve the applicant from the responsibility of listing all 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: _____

*If other than a Company officer BT129 Power of Attorney form must be attached.

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 <u>application</u>	Total payroll at this facility in the calendar year prior to property placed in service	Net increase or decrease of payroll
Yr. <u>2019</u> 1	2018	2017	2018-2017
Yr. <u>2020</u> 2	2019	2017	2019-2017
Yr. <u>2021</u> 3	2020	2017	2020-2017
Yr. <u>2022</u> 4	2021	2017	2021-2017
Yr. <u>2023</u> 5	2022	2017	2022-2017

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)**

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.

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 of exemption you are claiming 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. If other than a Company officer, Power of Attorney form #BT129, must be attached each year of the application.

Page 5 is the State of Oklahoma Employment Level and Payroll Affidavit. Complete this form as instructions indicate. (Example attached)

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 are listed submit a disk along with a hard copy in worksheet format.)

**TAX EXEMPT
MANUFACTURING
REFERENCE
INFORMATION**

**OKLA CONSTITUTION
ARTICLE 10 SECTION 6B**

<http://www.oscn.net/applications/oscn/DeliverDocument.asp?CiteID=438357>

TITLE 68 O.S. 2001, § 2902

<http://www.oscn.net/applications/oscn/DeliverDocument.asp?CiteID=439609>

**RULES TITLE 710
CHAPTER 10**

<https://www.ok.gov/tax/documents/CHAPTER10AdValorem.pdf>

**THREE YEAR AFFIDAVIT
FOR FIVE-YEAR
AD VALOREM TAX EXEMPTION FOR
OKLAHOMA MANUFACTURING
OR RESEARCH & DEVELOPMENT FACILITIES**

I, _____, being first duly sworn, according to law, depose and say:

I am the _____ of _____
Officer of Company Manufacturing Concern

I am acquainted with the business concern and am stating that from the start of initial construction or expansion to the completion of such construction or expansion or for three years from the start of initial construction or expansion, whichever occurs first, such construction or expansion will result in a net increase of annualized payroll of

Check One

- \$250,000.00 or more-for counties under 75,000 in population
- \$1,000,000.00 or more – for counties at 75,000 or above in population
(For Use in: Canadian, Cleveland, Comanche, Oklahoma, and Tulsa Counties)

and that such employees will be provided a basic health benefits plan.

I acknowledge that the constitutional and statutory provisions in effect at the time of filing the initial application for exemption will be the provisions on which eligibility will be based for the remainder of the five-year period. Any subsequent changes in these provisions will not affect eligibility established at the time of initial filing.

Officer Signature

Subscribed and sworn to before me this ____ day of _____, 20____.

Seal _____
Notary Public Signature

My Commission Expires:
