

Handbook for County Treasurers of Oklahoma 2024



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Handbook for County Treasurers of Oklahoma

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Introduction

How to Use This Handbook

This is a major revision of the *Handbook for County Treasurers of Oklahoma*.

This handbook revision has been prepared for use primarily by county treasurers, their deputies, and other employees in their office to aid them in performing their duties. This handbook is a guide to the responsibilities, duties, procedures, and statutory mandates for that office. This handbook is not meant to be all inclusive but should include sufficient references and other sources to help supplement the information that is provided.

NOTE:

This handbook has been prepared solely as a guide and source of reference for use in day- to-day job activities. It should not be used as a supplement to, or replacement for, the Oklahoma Statutes, opinions of the state attorney general, and/or policies and procedures issued by the appropriate state agencies (Office of the State Auditor and Inspector and others).

Every effort has been made to incorporate the latest statutes, opinions, and interpretations. In every instance where a statement in this handbook disagrees with an attorney general opinion, an interpretation of the statutes by a responsible state agency or district attorney, and/or a procedure or policy issued by an appropriate state agency, those opinions, interpretations, procedures, and policies will take precedence over this handbook.

Technology

Internet Document

The *Handbook for County Treasurers of Oklahoma* is an internet document and can be accessed through the [County Training Program website](#) under the “Handbooks” heading. The document can be downloaded onto computers, copied, or printed.

The printed copy will not have the interactive capabilities of the online document.

The interactive capability of the internet allows readers to link from one spot to another in the document. For example, the reader can click on a heading entry in the Table of Contents, and they will be linked directly to that heading in the handbook.

The statute references on the right-hand side of the pages are linked to the web. Readers can click on the statute references, and they will be linked directly to a complete version of that statute on the [Oklahoma State Courts Network \(OSCN\) website](#).

Forms are shown in blue and clicking on that text will link readers to the website where the form can be accessed or downloaded.

Readers can use the “search” feature on the webpage as an index to search for words or phrases they wish to reference. Readers can also page through the handbook just as they would a printed copy. The handbook appears on the screen exactly as it will appear when printed (in landscape orientation).

County treasurers can also access other county officers’ handbooks on the [CTP website](#).

Organization

Chapters one through five of the *Handbook for County Treasurers of Oklahoma* cover county government in Oklahoma. These chapters apply to all county officers and employees. This section is intended to provide general information about how county government operates in Oklahoma and to help members of the county treasurer’s offices understand how they affect and are affected by other county entities and procedures.

Chapters six through eighteen contain descriptions of the various duties and responsibilities for the county treasurer’s office.

Appendix A contains a guide to using the statutes.

Appendix B contains a list of related sources and their addresses and phone numbers. Throughout the handbook, these sources are referenced. The data in Appendix B is provided for the reader's convenience if they need to contact any of these agencies.

Oklahoma Statutes and Other References

Statute references, attorney general opinions, and other legal references that apply to material in this handbook are printed in a column at the far right-hand side of the page in green. Each reference is situated so that it appears at the beginning of the material to which it applies.

If readers click on one of these references while using the online version, they will be linked directly to that reference. In other words, if the reader clicks on a statute reference, they will be linked to the complete text of that statute.

Article references are from the *Constitution of the State of Oklahoma*. Oklahoma Statute (*O.S.*) references are from the Oklahoma Statutes.

This handbook is not intended to be a legal source to replace the Oklahoma Statutes. In many cases the statutes are paraphrased or interpreted in simpler language. For exact and complete statutory information, the reader should refer to the actual statutes.

The Oklahoma Statutes can be accessed online through the [OSCN website](#). For detailed instructions on using the Oklahoma Statutes, see Appendix A.

Procedures

This handbook includes some procedural information for accomplishing the duties of the county treasurer's office. Some procedures will vary from one county to another. This handbook is not meant to suggest procedures not mandated by Oklahoma Statute or other rulings.

Forms

Since many forms are available online or through TM Consulting software, samples of most forms are not included in this version of the handbook. Each time a form is mentioned, its source, such as the Office of the State Auditor and Inspector (SA&I) or other agency, is given. In some cases, a link (in [blue](#)) is provided to the form or to the appropriate agency to obtain a sample of the form or information about it.

NOTE:

Since the SA&I website has been updated, their forms are only available for download. This means that the forms cannot be viewed or linked in a web browser. Because of this, some of the forms that are linked in this handbook are linked to the SA&I “Publications & Forms” search bar. Simply type the SA&I form number listed in this handbook in the SA&I search bar and it should appear for download on the SA&I website.

Questions and Comments

Every attempt has been made to provide a complete and accurate handbook. For any questions, comments, or suggestions, please contact the County Training Program at Oklahoma State University.

Telephone: 405-744-6160

Fax: 405-744-8210

Email: ctp@okstate.edu

Visit the [County Training Program website](#) for more information.

Chapter One

County Government in Oklahoma

The County Government System in Oklahoma

The 77 counties in Oklahoma serve as extensions or subdivisions of the state of Oklahoma. All counties receive their administrative powers from the state. The Oklahoma Constitution and the Oklahoma Statutes mandate and define all of the duties and responsibilities of all county offices.

County officers are elected. Unlike municipal governments, county governments do not make new laws or ordinances. The state legislature enacts the laws that govern county government and that county governments enforce.

This chapter briefly explains the county government system in Oklahoma and discusses the duties and responsibilities of all county officials, both elected and nonelected.

Powers and Duties of County Government

Oklahoma law states that “each organized county within the state shall be a body corporate and politic.” Counties shall be empowered for the following purposes:

Oklahoma Constitution
Article 17 § 2

Oklahoma Constitution
Article 17 § 8

Oklahoma Constitution
Article 17 § 1
Article 17 § 2

- To sue and be sued.
- To purchase and hold real and personal estate for the use of the county and lands sold for taxes as provided by law.
- To sell and convey any real or personal estate owned by the county and make an order respecting the same as may be deemed conducive to the interests of the inhabitants.
- To execute leases of real property owned by the county to nonprofit corporations organized for the general purpose of historical preservation.
- To make all contracts and do all other acts in relation to the property and concerns of the county necessary to the exercise of corporate or administrative power.
- To exercise such other and further powers as may be especially provided for by law.

19 O.S. § 1
19 O.S. § 3

Creation and Disorganization of Counties

Creation of Counties

The legislature shall provide by general laws for the creation of new counties, the altering or changing of lines, the equitable division of assets and liabilities, and the original location of county seats in new counties according to the Oklahoma Constitution.

Oklahoma Constitution
Article 17 § 4

Disorganization of Counties

Under certain conditions outlined in the Oklahoma Constitution, the board of county commissioners of a county shall submit to the qualified electors of that county, a ballot in the next ensuing election with the question: "Shall the county be an unorganized county?" The qualified electors will answer "Yes" or "No."

Oklahoma Constitution
Article 17 § 5

If a majority of the votes are in the affirmative, the county shall be unorganized, be attached to, and be a part of the adjoining county having the lowest valuation of taxable property. The unorganized county shall remain as a district in the adjoining county until the qualified

electors vote in favor of separate organized county existence, according to guidelines in the Oklahoma Constitution.

Duties of County Officers

Elected County Officers

Oklahoma law stipulates that each county has six county offices plus the office of the district attorney, who may serve more than one county. Each office is headed by an elected county officer. Five of these offices were established in the Oklahoma Constitution in 1907.

The following officers are elected by the eligible voters in the county at a general election.

- County Commissioners
Three in each county; one elected by the voters in each of the three districts
- County Clerk
- County Assessor
 - Created by Oklahoma Statute in 1911; replaced town, city, and township assessors whose offices were abolished that same year
- County Treasurer
- County Court Clerk
- County Sheriff
- District Attorney
 - An Oklahoma Statute in 1965 created the office of the district attorney, formed 27 districts, and replaced county attorneys with district attorneys. Voters from one or more counties within a district select a district attorney to represent that district.

Oklahoma Constitution
Article 17 § 2

Oklahoma Constitution
Article 17 § 2

68 O.S. § 2814

Oklahoma Constitution
Article 17 § 2

Oklahoma Constitution
Article 17 § 2

Oklahoma Constitution
Article 17 § 2

19 O.S. § 215.1

Each elected officer serves a four-year term in office. The officer's terms are staggered so that every two even-numbered years, the November general election includes ballots for only certain county officers.

19 O.S. § 131

- The district 1 and district 3 county commissioners, plus the county treasurer, the county assessor, and the district attorney are elected in one election.
- The district 2 county commissioner, plus the county clerk, the court clerk, and the county sheriff are elected in one election.

NOTE:

OSU Extension Fact Sheet No. AGEC-802, “Duties and Responsibilities of Elected County Officials,” contains a table showing the schedule of election years for elected county officers and contains detailed descriptions of the officers’ duties and responsibilities.

County Commissioners

19 O.S. § 321

One county commissioner is elected from each of the three districts within the county. These districts must, by law, be approximately equal in population.

19 O.S. § 339

County commissioners serve on the board of county commissioners and act as the principal administrators of the county. Their duties include the following activities:

19 O.S. § 339(A)(1)

- Selling or purchasing public land or buildings for the county
- Auditing the accounts of other county officers
- Approving the purchase of operating supplies, equipment, and services contracted for the county
- Supervising county road and bridge construction and maintenance
- Developing personnel policies, designating holidays, and approving salaries for county employees
- Approving payment of the county payroll
- Auditing and approving tort claims against the county
- Receiving and approving bids for major purchases or construction projects

19 O.S. § 339.2
19 O.S. 339(A)(2)

19 O.S. § 339(A)(3)

19 O.S. § 339(A)(10)

19 O.S. § 153

19 O.S. § 326
51 O.S. § 158

69 O.S. § 1101

- Preparing the county budget in conjunction with other county officers
- Monitoring the county solid waste program
- Calling county elections for various purposes
- Reapportioning commissioner districts in accordance with Census Bureau criteria
- Purchasing surety bonds (blanket bonds) to cover all county officers and employees

Oklahoma Constitution
Article 10 §9D

19 O.S. § 321(B)
19 O.S. § 167
19 O.S. § 622
19 O.S. § 326

The board of county commissioners holds a regular monthly meeting at the county seat. All meetings of this board are open to the public except for executive sessions, which can be closed sessions under certain circumstances as defined by the Oklahoma Statutes.

25 O.S. § 307(E)

County Clerk

The county clerk is the principal record keeper of the county. All legal instruments, including plat maps; deeds; mortgages; oil and gas leases; liens; and military discharge papers that are filed with the county by private citizens and public officials are preserved by the county clerk. Other duties of the county clerk include the following activities:

19 O.S. § 250
19 O.S. § 284
19 O.S. § 286

- Serving as secretary for the board of county commissioners and other county boards such as the county excise board
- Recording all appropriations and expenditures for each county office or department
- Preparing warrants or checks for paying county bills and payroll
- Purchasing or leasing and maintaining all county supplies and equipment
- Acting as the register of deeds

19 O.S. §§ 243
19 O.S. §§ 244
68 O.S. §§ 2861(E),
3005.1(A)
19 O.S. §§ 245
19 O.S. §§ 250
19 O.S. § 346
62 O.S. § 471
19 O.S. § 1501
19 O.S. § 225

County Assessor

The county assessor assesses all property for ad valorem taxation, submits the value of each property to the county equalization board, and later to the State Board of Equalization for approval.

68 O.S. §§ 2814
68 O.S. § 2815
68 O.S. § 2817

After receiving the certified millage rates from the county excise board, the county assessor prepares the tax roll, which shows the taxes due on each county property, and forwards the roll to the county treasurer for tax collection.

68 O.S. §
2842(B)

The county assessor also performs the following duties:

- Preparing and maintaining permanent records of all real and personal property including cadastral maps
- Implementing the four-year visual inspection program for all property
- Auditing any property for which the estimated fair cash value differs from the value submitted by the taxpayer
- Receiving and reviewing all applications for exemptions
- Serving as a member of the board of tax roll corrections

68 O.S. § 2827
68 O.S. § 2840
68 O.S. § 2869
68 O.S. § 2820
68 O.S. § 2823

68 O.S. § 2846

68 O.S. § 2836

68 O.S. § 2871

County Treasurer

The county treasurer is the chief financial officer for the county and administers all county monies. The county treasurer receives, deposits, and maintains records for all county monies; redeems county warrants; apportions taxes to various accounts and to local public entities such as schools and cities; keeps records of all payments and expenditures made by the county; and presents county records and financial statements to SA&I for audit.

19 O.S. § 623
19 O.S. § 624
19 O.S. § 625

The county treasurer also receives the annual tax roll and tax roll warrant, prepares the ad valorem tax statements, and mails the statements to the property owners. The county treasurer collects all county ad valorem taxes, issues delinquent personal and real property tax notices, and initiates and supervises tax sales on real property for nonpayment of taxes.

68 O.S. § 2869
68 O.S. § 2913

County Court Clerk

The county court clerk's primary responsibilities are to record, file and maintain district court proceedings and to maintain books useful for locating past court proceedings. The court clerk keeps summaries of court actions in an appearance docket; maintains case files; collects fines, fees, and forfeitures; and distributes or expends collected monies as provided by law. The court clerk also issues legal warrants; court orders; passports; and marriage (as authorized by a judge), beer, pool hall, and other county licenses.

12 O.S. § 22
12 O.S. § 24
12 O.S. § 27
12 O.S. § 28
12 O.S. § 29
12 O.S. § 35.1
28 O.S. § 31

County Sheriff

The county sheriff is the chief law officer responsible for preserving the peace and protecting life and property in the county. The county sheriff apprehends persons charged with criminal activity; operates the county jail; serves warrants and process papers of the district court and other lawful authorities; handles various nuisances or dangers to the public; and handles safety matters. The county sheriff also coordinates and administers courthouse security. The county sheriff may also assist the state in handling state prisoners.

19 O.S. § 513
19 O.S. § 514
19 O.S. § 516
19 O.S. § 545

County Budget Boards

Counties that have resolved to operate under the County Budget Act have budget boards composed of the eight elected county officers listed above. The budget board reviews the annual estimate of needs of each county department, revises these estimates if needed, proposes a budget, conducts public hearings, and adopts a budget. The budget board also authorizes transfers of certain funds from one county budget account to another and may make supplemental appropriations to the budget.

19 O.S. §§ 1403
19 O.S. § 1407

District Attorney

The district attorney is the chief prosecutor within each of 27 districts in Oklahoma. Most district attorneys serve more than one county. The district attorney performs the following duties and may be assisted by one or more assistant district attorneys.

19 O.S. §§ 215.1
19 O.S. § 215.4

- Serves as criminal prosecutor in district court
- Assists a grand jury with legal advice, witness examination, and indictments
- Provides witness and victim assistance

- Represents the county in all civil actions or proceedings in which the county is a party
- Serves as the principal legal counsel for county government to give opinions and advice to the board of county commissioners and other civil officers of the county when requested by such officers and boards, on all matters in which the county is interested, or relating to the duties of the boards or officers in the county.

19 O.S. § 215.5

Outside Counsel

The county sheriff, county treasurer, county clerk, or county assessor has the authority to employ general counsel, either in-house as a staff attorney or through an outside law firm, to advise or represent that officer and office in performing the official duties of that office. The board of county commissioners must approve all contracts for outside counsel. Any general counsel employed must be compensated with the funds of the employing county office.

19 O.S. § 527

In any case in which a county officer files an action against another county officer, the district attorney cannot represent either county officer in the action.

19 O.S. § 215.25

If the district attorney and the board of county commissioners agree, the county may hire outside counsel at the expense of the county.

19 O.S. §
215.37M(B)

Nonelected County Officers and Boards

County governments in Oklahoma are managed by both elected and nonelected officers. The following list includes officers and board members that might serve the county by appointment:

- County Engineer
- County Extension Office professionals
- County Board of Health/Superintendent of Health
- County Medical Examiner
- Emergency Medical Services District Board of Trustees
- County Medical Examiner
- County Safety Director

- Safety Coordinators
- County Board of Equalization members
- County Excise Board members
- Board of Tax Roll Corrections members
- County Emergency Management Director
- (Formerly the County Civil Defense Director)
- County Board of Public Welfare members
- County Election Board members and County Election Board secretary
- County Free Fair Association Board members (elected within a commissioner’s district at a mass meeting)

NOTE:

OSU Extension Fact Sheet AGEC-803, “Duties and Responsibilities of Non-Elected County Officials and Boards”, contains detailed information on the duties and responsibilities of these officers and boards.

County Engineer

The county engineer oversees county highway programs and may assist with maintenance and construction projects. The county engineer also keeps records of county roadwork costs.

Counties may hire either a full-time or part-time engineer or may enter into a contract with an engineering consultant. Several counties may share the services of one engineer. In some cases, the State Department of Transportation may provide engineering services.

69 O.S. § 624
69 O.S. § 625
69 O.S. § 626

Counties within the eight circuit engineering districts (CED) that have been created in Oklahoma may share an engineer hired by, or under contract to, a district. Refer to Chapter Thirteen, “Duties of the County Commissioner: Circuit Engineering Districts” in the *Handbook for County Commissioners of Oklahoma*.

69 O.S. § 687.1

County Extension Office Personnel

The *Oklahoma Cooperative Extension Service (OCES)* maintains the County Extension Office and hires, with the approval of the board of county commissioners, the county extension office director. Through County Extension Office personnel, OCES provides educational resources and programs organized into four major areas:

- Agriculture
- Family Life, Nutrition, and Health
- 4-H and Youth Development
- Rural Development

70 O.S. § 3418

County Board of Health/Superintendent of Health

The county board of health consists of five members, two appointed by the State Commissioner of Health, two by the county commissioners, and one by the district court. This board establishes and maintains a county health department, a district health department, or a cooperative health department.

63 O.S. §§ 1-201~1-210

Two or more boards of health may form a health district. County boards of health and/or health districts may join cities, towns, and schools to form cooperative departments of health. The primary purposes of these entities include preventing and controlling disease and other health dangers, educating the public, providing preventive services, keeping vital records, and assisting the State Commissioner of Health.

Financing is achieved by county mill levy, state funds, user fees, and sometimes an earmarked sales tax. For any county without a health department and which does not participate in a district health department, the State Commissioner of Health appoints a county superintendent of health.

Emergency Medical Service District Board of Trustees

Emergency medical service districts (ambulance service districts) may be formed by a vote of the people in the area affected. If the service is formed, each district shall have a board of trustees of not less than five members, chosen by the board or boards of commissioners in the counties included in the districts. The board of trustees shall have no less than one member from each county or part of a county included in the district.

Oklahoma Constitution
Article 10 § 9C
19 O.S. § 1702
19 O.S. § 1715

Any county has the authority to implement a sales tax not exceeding one percent (1%) upon the gross proceeds or gross receipts derived from all sales or services in the county upon which a consumer's sales tax is levied by the state. The sales tax must meet the following condition:

68 O.S. § 1370.10

- The proceeds of the sales tax shall only be used for the purpose of funding emergency medical services.

County Medical Examiner

The Oklahoma Chief Medical Examiner appoints medical examiners for each county to investigate the cause and manner of deaths within the county and to make written reports.

63 O.S. § 937
63 O.S. § 938
63 O.S. § 939

County Safety Director

The board of county commissioners must appoint a county safety director to coordinate all county safety programs. This individual must ensure that safety classes on subjects related to that office are provided at least quarterly for all county employees. (Reference Administrative Rule 380:1-22, [Oklahoma Department of Labor, Public Employee Occupational Safety and Health \(PEOSH\) Division](#).)

Safety Coordinators

Each county officer may also appoint a safety coordinator to coordinate safety programs for employees in that office. The safety coordinators report to the county safety director. The Association of County Commissioners of Oklahoma (ACCO) provides the [Sample General Safety Manual](#), which contains additional information about safety in county offices.

40 O.S. § 403(E)

County Board of Equalization Members

The primary duty of the three members of the county board of equalization is to ensure equalization of property taxes. The county board of equalization hears protests, reviews property tax assessment records, reviews homestead exemption applications, and corrects errors. The board members may raise or lower appraised values of properties, add omitted property to the tax roll, declare certain property non-taxable, and make other tax-related decisions.

68 O.S. § 2861
68 O.S. § 2862
68 O.S. § 2863
68 O.S. § 2864

Members of the county board of equalization also serve on the county excise board. The board of county commissioners, the commissioners of the Oklahoma Tax Commission, and a district judge, or a majority of district judges, each appoint one member to the county board of equalization. The county clerk serves as secretary to this board. As secretary to this board, the county clerk must sign the completed [SA&I Form No. 452, Notice of Excise/Equalization Board Member Appointment](#), and submit it to SA&I within 30 days of the appointment or re-appointment of the respective board member.

Course of Instruction Required

68 O.S. § 2862

Each member of the county board of equalization shall be required to attend and successfully complete a course of instruction consisting of at least six (6) hours for the purpose of instructing the members about the duties imposed on the board by law.

As of November 1, 2023, the initial six-hour training is only required for the member's first term. The course shall be developed by the Oklahoma State University Center for Local Government Technology and shall include subjects similar to those prescribed by law for certification of county assessors and their deputies.

Failure of a county board of equalization member to successfully complete the course within twelve (12) months of the date of that member's appointment shall result in forfeiture of the office and the vacancy shall be filled in the manner provided by law. In addition to the initial training requirement, each member of the county board of equalization shall attend and successfully complete an annual continuing education course of instruction of at least three (3) hours developed by the Oklahoma State University Center for Local Government Technology. Failure of a county board of equalization member to complete this annual continuing education course of instruction shall result in forfeiture of office and the vacancy shall be filled in the manner provided by law.

Board Meetings

A member of the county board of equalization may not miss more than three (3) meeting days of the board per calendar year unless, upon a review by the member's appointing authority, one or more of the absences were excused. Failure by a member of the county board of equalization to comply with the attendance requirement shall result in forfeiture of office and the vacancy shall be filled in the manner provided by law. Forfeitures of office resulting from the failure to comply with the provisions of this section shall be administered by the State Auditor and Inspector.

68 O.S. § 2862

County Excise Board Members

The county excise board, composed of the members of the county board of equalization, oversees and reviews all county, school district, and some city budgets to determine if they are legally and adequately funded within the revenues available. This board also performs the following functions:

68 O.S. § 3005.1
68 O.S. § 3006
68 O.S. § 3007

- Reviews and approves the county budget
- Fixes the tax levy or millage rate
- Gives public notice that the budget and tax levies are open to public discussion

The county excise board meets at the county seat on the first Monday of July each year to organize and elect a chairman and vice-chairman to perform excise duties for that fiscal year. The county clerk serves as secretary to the county excise board. As secretary to this board, the county clerk must sign the completed [SA&I Form No. 452, Notice of Excise/Equalization Board Member Appointment](#), and submit it to SA&I within 30 days of the appointment or re-appointment of the respective board member.

Course of Instruction Required

Within the first 12 months of appointment, each member of the county excise board is required to attend and successfully complete a course of instruction that consists of at least six hours. As of November 1, 2023, the initial six-hour training shall only be required for the member’s first term. Additionally, members must complete three hours of instruction for every year of service.

68 O.S. § 3006

The course of instruction shall include the duties and responsibilities of the county excise board, including those related to authorized millage rates imposed by local taxing jurisdictions. The course shall be offered by or approved by the Oklahoma State University Cooperative Extension Service.

Failure of a county excise board member to complete the initial six (6) hours of instruction within twelve (12) months of appointment or the annual three (3) hours of continuing education course of instruction shall result in forfeiture of office and the vacancy shall be filled in the manner provided by law.

Board Meetings

A member of a county excise board may not miss more than three (3) meeting days of the board per calendar year unless, upon a review by the member’s appointing authority, one or more of the absences were excused. Failure by a member of a county excise board to comply with the attendance requirement shall result in forfeiture of office and the vacancy shall be filled in the manner provided by law.

68 O.S. § 3006

Forfeitures of office resulting from the failure to comply with the provisions of this section shall be administered by the State Auditor and Inspector.

Board of Tax Roll Corrections Members

Members of the board of tax roll corrections include the chairman of the board of county commissioners as chairman, the chairman of the equalization board as vice-chairman, and the county assessor as a member. The county clerk serves as secretary but is a non-voting member.

68 O.S. § 2871

This board investigates reports of errors in the certified tax rolls and corrects these errors when warranted. These corrections might include mathematical errors or missing information such as a homestead exemption.

County Emergency Management Director

The county emergency management director, formerly called the county civil defense director, manages the county emergency management program, which is a coordinated effort of local, state, and federal governments to maintain procedures and resources sufficient to meet emergency situations ranging from natural disasters to enemy attacks.

63 O.S. § 683.11
63 O.S. § 683.12

The county emergency management director also works with the county's local emergency planning committee (LEPC). These committees are responsible for helping to facilitate communications between facilities that handle hazardous materials and their respective communities. This activity is mandated by the Risk Management Program provisions of the Federal Clean Air Act amendments of 1990.

The County Board of Public Welfare Members

The State Welfare Commission appoints members to the county board of public welfare, which administers state and federal assistance programs for needy persons such as disabled or handicapped adults and children and dependent children.

56 O.S. § 163

County Election Board Members and County Election Board Secretary

The State Election Board appoints two members and two alternates to the county election board. The State Election Board also appoints a third member and a third alternate from lists provided by the county central committees of the two political parties with the largest number of registered voters in the state, following the guidelines in the Oklahoma Statutes. The county election board members and alternates serve four terms each.

26 O.S. § 2-110
26 O.S. § 2-111

These members are responsible for ensuring that all of the steps necessary to organize, administer, and hold official elections are performed correctly. These steps include printing, distributing, collecting, and counting ballots; delivering them to the State Election Board; and certifying election results.

26 O.S. §§ 2-111.1
26 O.S. § 2-112
26 O.S. § 2-117

The State Election Board appoints the county election board secretary for a term of four years. The county election board secretary is the administrative officer of the county election board and has general supervisory authority over all precinct officials and absentee voting board members within the county.

26 O.S. § 2-123
26 O.S. § 2-112
26 O.S. §§ 2-111.1
26 O.S. §§ 2-111.2- 217

The secretary of the county election board employs an assistant secretary and other employees necessary to perform the duties of the county election board. The secretary also appoints the inspector, judge, and clerk of each precinct, to serve terms of four (4) years each, per guidelines in the Oklahoma Statutes.

26 O.S. § 2-123
26 O.S. § 2-124
26 O.S. § 2-125
26 O.S. §§ 2-111.1
26 O.S. §§ 2-111.2- 217
26 O.S. §§ 2-126

County Free Fair Association Board Members

The board of directors of a county free fair association is composed of nine members (directors), who are elected for a term of three years. Three members are elected annually from each county commissioner's district. These members manage the fairground facilities and conduct the county free fair, junior livestock show, and other events.

2 O.S. § 15-65
2 O.S. § 15-68

Refer to the *County Free Fair Manual* on the Oklahoma State Auditor and Inspector’s website.

Other Nonelected Officers

Other nonelected county officers may serve with other county organizations, which might include the following groups:

- County Law Library Board of Trustees
- City-County Park and Recreation Commission
- Land Use Planning Commission
- County Hospital Board of Control

20 O.S. § 1204
20 O.S. § 1205
20 O.S. § 1208
19 O.S. § 1002
19 O.S. § 1004
19 O.S. § 863.1
19 O.S. § 866.1
19 O.S. § 789
19 O.S. § 790.1

Federal Regulations

The Americans with Disabilities Act of 1990 (ADA) prohibits government entities from discriminating against qualified individuals (citizens or employees) with disabilities on the basis of disability through inadequate coordination of their services, programs, or activities. A government entity with less than 50 employees must, at minimum, adopt and distribute a public notice about the relevant provisions of the ADA to all people who may be interested in its programs, activities, and services. According to the *ADA Best Practices Tool Kit for State and Local Governments*, public entities with 50 or more employees must distribute the notice described above, develop and publish grievance procedures, and designate at least one responsible employee to coordinate ADA compliance. A government entity may elect to have more than one ADA coordinator. For more information on ADA compliance, reference the *ADA Best Practices Tool Kit for State and Local Governments*.

NOTE:

The primary purpose of this handbook is to address Oklahoma Statutes. This handbook does not claim to address every federal statute that may be applicable to county government.

Chapter Two

Sources of County Revenue

This chapter explains the sources of revenue for counties in Oklahoma and discusses the various revenue funds that counties can operate.

County Funds

The County General Fund

The Oklahoma Constitution and the Oklahoma Statutes authorize counties to create a county general fund, which is the county's primary source of operating revenue.

Oklahoma Constitution
Article 10 § 9

The county general fund is typically used to pay most county employees' salaries plus many expenses for county maintenance and operation. It also provides revenue for various budget accounts and accounts that support special services and programs. Table 2-1 shows some options for revenue amounts that could be apportioned to budget accounts that support special services as established by the statutes.

62 O.S. § 331
68 O.S. § 3009
68 O.S. § 3011

The board of county commissioners must review and approve all expenditures made from the county general fund.

62 O.S. § 331

The primary revenue source for the county general fund is usually the county's ad valorem tax collected on real, personal household (if applicable), business personal, and public service property. Smaller amounts of revenue can come from other sources.

Table 2-1. County General Fund Budget Accounts and Regulations for Special Services

Budget Account	Regulated Amount of Deposit
Crippled Children	Oklahoma Supreme Court – State v Malibie 1981 OK 18 630 P.2d 310 – declared unconstitutional
County Audit	Mandatory to provide one-tenth mill
Governmental	Optional with the board of county commissioners
Tick Eradication	Optional with the board of county commissioners
Highway levy for road and bridge construction and maintenance	Optional with the board of county commissioners
Free Fair	Optional within the limit of the applicable statute under which the free fair is organized
Free Fair Improvement	Optional within the net proceeds of one mill
Free Fair Additional Improvement	Optional within the net proceeds of one mill
Library	Optional within the net proceeds of one-half mill
Public Health	Optional within the net proceeds of one mill (when coordinated by the State Department of Public Health)
Bovine T.B.	Optional within the limit of Five Thousand Dollars (\$5,000.00)
Farm and Home Demonstration	Variable with the size of the county (optional within statutory limitations)

In [Figure 2-1](#), a graph shows the average county revenue sources for FY 2023. This graph depicts the average revenue sources for all 77 counties in Oklahoma. Not all counties receive revenue from all of the items included in the graph. For example, not all counties have a county sales tax.

Ad Valorem Tax Collections

Ad valorem means “according to value” or “in proportion to value.” Most people use the terms ad valorem and property tax interchangeably. Property tax is an ad valorem tax because the amount of tax is directly proportional to the taxable value of the property.

68 O.S. § 2806
68 O.S. § 2807

Ad valorem taxes are collected on two types of property: real property and personal property.

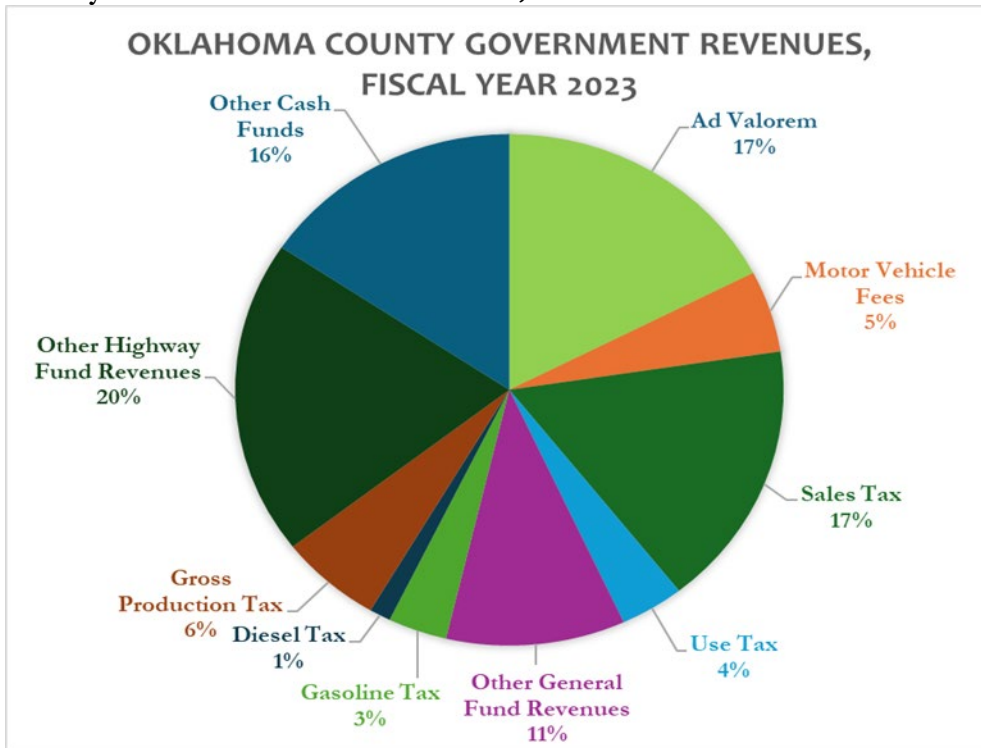
Property taxes are measured in mills. A mill is one-thousandth or \$1.00 tax for every \$1,000.00 of taxable value. Taxable value (assessed value) is equal to the fair cash value multiplied by the assessment percentage or ratio.

Oklahoma
Constitution
Article 10 § 9

The county excise board can lawfully set the levy not to exceed fifteen mills (five of which are apportioned for school district purposes). They can then apportion the anticipated revenue among the county, cities, towns, and school districts.

Oklahoma
Constitution
Article 10 § 8

County Government Revenue Sources, FY 2023



Statewide Totals	Fiscal Year 2023
Ad Valorem	439,053,742
Motor Vehicle Fees	130,057,522
Sales Tax	422,649,303
Use Tax	94,953,478
Other General Fund Revenues	266,013,997
Gasoline Tax	87,639,099
Diesel Tax	31,684,773
Gross Production Tax	152,067,416
Other Highway Fund Revenues	501,299,684
Other Cash Funds	392,746,965

Figure 2-1. County Government Revenue Sources for Counties, FY 2023

Sources of revenue include all revenues to general, county highway, and special revenue funds. The percent of revenue by source was calculated using the total revenue, across all counties, from each respective source. Therefore, the percentages are based on the statewide totals shown in the table.

Source: The data for this graph comes from the “Abstract of the General Fund for Counties in Oklahoma” published by the [Oklahoma Cooperative Extension Service at Oklahoma State University](#).

NOTE:

This graph shows a general average of all 77 counties in Oklahoma. Not all counties receive revenue from all of the sources shown. For example, not all counties have gross production tax revenue.

Real Property

Real property consists of land or a combination of land and building improvements. The county assessor determines the fair cash value according to how this real estate is being used. Any change in the property during the year, such as new construction or the removal of a building, results in a reassessment. The assessor must reassess each piece of real property at least every four years.

Oklahoma Constitution
Article 10 § 8
68 O.S. § 2806

Personal Property

Personal property includes individual personal property and business personal property.

68 O.S. § 2807

Individual personal property includes such things as clothing, furniture, tools, jewelry, silverware, sporting equipment, pianos, grain loaders, saddles, and other items.

Business personal property includes commercial, business, and professional equipment such as furniture, machinery, merchandise inventories, merchandise on consignment, and merchandise on leased land.

Oklahoma Constitution
Article 10 § 8A

NOTE:

Counties can elect to abolish household personal property taxes. For counties that have passed the county option to abolish household personal property and livestock in support of the family, the constitutional 10-mill limitation is increased to compensate for the loss in the tax base and make the tax base revenue neutral in tax collections in the year in which it was passed by a vote of the people.

Oklahoma Constitution
Article 10 § 9

NOTE:

The “[Oklahoma Ad Valorem Mill Levies, Fiscal Year 2023](#),” published by the [Oklahoma Cooperative Extension Service](#) at OSU, contains a comprehensive listing, by county, of statewide local government millages.

Other Ad Valorem Funded Budgets

The proceeds of specific revenue sources that can be expended only for specified purposes as restricted by the statutes are held in special revenue funds. The following funds are examples of special revenue funds that derive revenue from ad valorem tax levies:

- County Health Department
- County Building
- Emergency Medical Services
- Solid Waste Management District - three mills
- County Industrial Development Fund - five mills
- Cooperative Library – one to four mills
- County Sinking Fund

Refer to Chapter Nine, “General Description of Ad Valorem Taxation,” in the *Handbook for County Assessors of Oklahoma* for a list of all levies with their legal citations. Refer to OSU Extension Fact Sheet AGEC-795, “[Ad Valorem Taxes](#),” for additional information.

Exemptions to Ad Valorem Taxation

The Oklahoma Statutes provide tax exemptions for governmental, educational, religious, and charitable institutions. They also provide for other exemptions such as the homestead exemption.

Oklahoma Constitution
Article 10 § 9A
63 O.S. § 1-223
Oklahoma Constitution
Article 10 § 10
Oklahoma Constitution
Article 10 § 9C(a)
Oklahoma Constitution
Article 10 § 35
Oklahoma Constitution
Article 10 § 10A
Oklahoma Constitution
Article 10 § 26
Oklahoma Constitution
Article 10 § 28

68 O.S. § 2887

Table 2-2. County Ad Valorem Taxation Process

Office or Board	Activity
County Assessor	Appraises real property and accepts renditions on personal property appraised value = fair cash value according to use
	Applies assessment ratio to appraised value appraised value x assessment ratio = gross assessed valuation
	Applies applicable exemptions to determine net assessed valuation. gross assessed valuation – exemptions = net assessed (or taxable) valuation
	Prepares a summary of the assessment rolls (an abstract of all valuations of taxable property in the county)
	Certifies and presents this summary to the county excise/equalization board and the Oklahoma Tax Commission
County Excise Board	Receives and reviews the county assessor’s summary, which shows the county’s tax base Later receives certified values from State Board of Equalization (county’s total taxable valuation)
	Receives and reviews estimates of needs from each department of county government
	Determines exact tax levy and certifies the levies to the county assessor levy (up to constitutional limitation) = <u>tax revenues needed</u> x 1000 taxable valuation
County Assessor	Applies the levy to each entry on the assessment rolls mill rate x taxable valuation = tax 1000
	Prepares the tax rolls
	Certifies the tax rolls to the county treasurer and at the same time files a true and correct abstract of the tax rolls with the county clerk. The county clerk directs the county treasurer to collect the amount contained in the abstract.
County Treasurer	Prepares and mails tax statements
	Receives tax payments
	Issues delinquent tax notices and warrants on personal property
	Initiates and supervises tax sales on real property for nonpayment of taxes

Table 2-2 shows the ad valorem taxation process and the responsibilities of the various county offices in that process.

Table 2-3. Property Tax Calculation

Fair cash value of a home	\$80,000.00
Times the assessment ratio	x .12
Equals assessed value	\$9,600.00
Less homestead exemption	<1,000.00>
Equals net assessed value	\$8,600.00
Times the tax rate (80 mills) or 80/1000 = 0.080	x 0.080
Equals tax due	\$688.00

Table 2-3 shows a hypothetical computation of the property tax due on an Eighty Thousand Dollar (\$80,000.00) house in a county where the assessment ratio is 12% and the levy is 80 mills.

NOTE:

The Oklahoma Constitution limits the real property applied assessment percentage to between 11 and 13.5% of fair cash value and the personal property applied assessment percentage to between 10 and 15% of fair cash value. These amounts can be changed by a county-wide vote of the people.

Homestead Exemption

People who own homes in the county are eligible for a homestead exemption provided the home is their actual permanent residence, and they are citizens of Oklahoma.

68 O.S. § 2887

A homestead is exempt from ad valorem taxation up to One Thousand Dollars (\$1,000.00) of the assessed value (the property’s taxable valuation is less than One Thousand Dollars (\$1,000.00)).

68 O.S. § 2888

People who purchased homes during the past year are eligible for a homestead exemption if the following two criteria apply:

68 O.S. § 2889

- The people were actually living on the property on January 1 of the current taxable year.
- The deed or other evidence of ownership has been or will be filed for record in the county clerk's office prior to February 1 in the year in which the owner first applies for the homestead exemption.

Property owners are not entitled to a homestead exemption if any of the following criteria apply:

- The owner is not actually residing on the property on January 1 of the taxable year.
- The property is rented.
- The deed or other conveyance of title is not on record in the county clerk's office prior to February 1 of the year in which the owner first applies for the homestead exemption.
- The title to the property is in probate (except for the surviving spouse or minor children living on the property).

Additional Homestead Exemption

An additional homestead exemption is an additional exemption allowed to any homeowner who meets the following conditions:

- The homeowner is eligible for a homestead exemption.
- Application for additional homestead must be made annually on or before March 15.
- The homeowner's gross household income is Thirty Thousand Dollars (\$30,000.00) or less for the preceding year.

68 O.S. § 2890

Ad Valorem Tax Refunds or Credits

A head of household can qualify for a refund or credit of ad valorem tax payments if the following conditions apply:

68 O.S. § 2906

- The person is totally disabled or is 65 years of age or older.
- The person’s gross household income is Twelve Thousand Dollars (\$12,000.00) or less.
- The person has been living in the state during the entire preceding year.

A head of household can also qualify for a refund or credit of ad valorem tax payments if the following condition applies:

- The person has been honorably discharged from active service in any branch of the Armed Forces of the United States or Oklahoma National Guard and has been certified by the United States Department of Veterans Affairs or its successor to have a one hundred percent (100%) permanent disability sustained through military action or accident or resulting from disease contracted while in such active service; or is the surviving spouse of this person.

Oklahoma Constitution
Article 10 § 8E

Additional Revenue Sources for the County General Fund

Fees and Collections

Fees and collections are another source of revenue for the county general fund. They are revenue sources generated by a political subdivision. Fees are charged for services provided. The majority of the services and accompanying fees are established by the legislature. Collections are the revenues obtained from the fees.

28 O.S. § 43

For example, the county clerk collects a fee for recording deeds and other legal documents, and the county treasurer collects fees associated with collecting delinquent taxes.

28 O.S. § 32

County Sales Tax

County sales tax revenues can also be placed in the county general fund. Any county with a population of 300,000 or less may levy up to a two percent county sales tax. Counties with populations larger than 300,000 may levy a restricted tax of one-half of one percent or one percent to finance certain facilities.

68 O.S. § 1370
68 O.S. § 1370.1
68 O.S. § 1370.2
68 O.S. § 1370.4
68 O.S. § 1370.6

NOTE:

County sales tax revenues can also be kept in a separate cash fund that has been specifically set up for that purpose.

2004 AG 32
2005 AG 23
2007 AG 22

To institute a county sales tax, the board of county commissioners must call an election or complete an initiative petition. In either case, an election is held to perform the following activities:

1996 AG 70

- Implement the tax
- Set the tax levy
- Set the duration of the tax, which may be for a specific or indefinite period
- Set the use(s) for which the sales tax collections will be used

68 O.S. § 1370

A simple majority of the eligible voters in the county is required to pass the sales tax.

Sales tax revenues may be used for general operations, capital improvements, county roads, or other necessary uses as designated. Such uses must promote the safety, security, and the general well-being of the people of the county.

68 O.S. § 1354
68 O.S. § 2701

The county treasurer or county clerk may charge a fee to any entity that is the recipient of revenue from a designated county sales tax levied for that entity. This fee is reimbursement for the cost of collecting, maintaining, and distributing the funds on behalf of the entity. If a treasurer or clerk chooses reimbursement, a special estimate of needs is prepared for all expenditures, itemized by personal services, maintenance, and operation expenditures for each entity and filed with the county excise board or county budget board. The county excise board or county budget board shall approve such costs to each of the various recipients receiving the revenue and shall render a statement to each entity for reimbursement to the county general fund.

19 O.S. § 153.1

NOTE:

Incorporated cities and towns are allowed to levy a sales tax. Any municipal sales tax would be in addition to the four-and-a-half percent levied by the state and the maximum two percent allowed for county government. The amount of a municipal sales tax must be approved by a majority vote of the registered voters at a general or special election. See [OSU Extension Fact Sheet AGE-763, "Adopting a County Sales Tax"](#)

68 O.S. § 2705

County Use Tax

The board of county commissioners of a county with a county sales tax in place may levy an additional excise (use) tax, at a rate that equals the county sales tax rate. This use tax shall be paid by every person storing, using, or otherwise consuming within the county tangible personal property purchased or brought into the county. These purchases include mail orders, phone orders, and internet purchases from merchants who have no physical presence in Oklahoma. The board of county commissioners also sets the purpose(s) for which the use tax is spent.

68 O.S. § 1411

Refer to OSU Extension Fact Sheet No. AGE-765, [“Use Tax for County Government,”](#) for additional information on use tax.

State Transfer Payments

The state of Oklahoma makes transfer payments to counties, cities, towns, and school districts, some of which are deposited into the county general fund. Some state transfer payments may be deposited into various cash funds, which are discussed later in this chapter. State transfer payments are generated primarily from the following sources:

- County Bridge and Road Improvement Fund
- Motor fuel excise taxes, including gasoline, compressed/liquefied natural gas, and diesel
- Special fuel taxes
- Collections
- Forfeiture taxes
- Motor vehicle license and registration fees
- Gross production tax

69 O.S. § 665
68 O.S. § 500.6a
68 O.S. § 500.6
68 O.S. § 500.7

47 O.S. § 1104

68 O.S. § 1004

In addition, school districts receive funds from the state rural electric co-op tax according to the number of miles of power lines within each district. Cities and towns receive funds from the state alcoholic beverage tax based on total area and population. Counties and municipalities with racetracks also receive monies from admission fees.

37A O.S. § 5-104

The Oklahoma Tax Commission (OTC) makes transfer payments to the county treasurer for counties and school districts. Cities and towns receive their shares directly from the Oklahoma Tax Commission.

NOTE:

Refer to the [Oklahoma Tax Commission website](#), which contains several helpful reports and publications.

In-Lieu Taxes

In-lieu taxes, which are deposited into the county general fund, are taxes that substitute for, or take the place of, ad valorem taxes. In-lieu taxes come from the following sources:

- Auto tax stamps 68 O.S. § 5301
- Registration fees and taxes on aircraft 68 O.S. § 5302
- Registration and licenses for vessels and motors 47 O.S. § 1137.1
- Textile taxes 3 O.S. § 256
- Farm tractors and equipment 63 O.S. § 4003(A)(2)(B)(2)
- New vehicle inventory 63 O.S. § 4023

Reimbursements

Counties may receive reimbursement revenues such as the following examples, which also go into the county general fund.

- Visual Inspection: All local jurisdictions (such as school districts or road districts) that benefit from ad valorem assessment pay a pro-rated share of the total visual inspection budget for the county assessor’s program of visual inspection where county properties are visually inspected at least once every four years and revalued annually. This cost is included in the county budget and the local jurisdictions reimburse their shares of the cost to the county. 68 O.S. § 2001
68 O.S. § 5401
68 O.S. § 5402
68 O.S. § 5403
68 O.S. § 5404

- District Attorney: The county initially pays for certain expenses for the district attorney, but the state, through the District Attorneys Council, reimburses the county for certain expenses that the county is not required to provide, such as maintenance, operation, and capital outlay. Counties must provide the district attorney with office space, including heating, cooling, and maintenance of that space; a law library and necessary legal subscriptions; and funds for investigation, prosecution, or defense of any action where the county is a party.
- Election Board Secretary: The county initially pays salaries and fringe benefits for each election board secretary, but the state, through funds appropriated by the state legislature, reimburses the county at a rate not to exceed one hundred thirty-five percent (135%) of the specified salaries. The county files claims for this reimbursement with the secretary of the State Election Board. The county must supply the election board with appropriate office space.
- Ad Valorem Exemptions: The county may receive reimbursements for ad valorem exemptions such as additional homestead exemptions; exemptions granted for new or expanded manufacturing or research and development facilities; and state-owned agricultural land for which no state agency is making an in-lieu ad valorem payment.

19 O.S. § 215.36
 19 O.S. § 215.37B
 19 O.S. § 215.38

26 O.S. §2-118
 26 O.S. § 2-119
 26 O.S. § 2-121

62 O.S. §§ 193
 62 O.S. §§ 194

Table 2-4. State Transfer Payments to Counties Sources and Uses

Revenue Source/Tax Rate	Use		
	County Roads*	County Schools	County Government
Gasoline Excise Tax (\$.16/gallon) 68 O.S. § 500.4~500.63, 68 O.S. § 602 68 O.S. § 603(A)(1)	~33%		
Diesel Excise Tax (\$.13/gallon) 68 O.S. § 500.4~500.7, 68 O.S. § 602 68 O.S. § 603(A)(2)	~34%		
Special Fuel (\$.16/gallon) 68 O.S. §§ 703, 704, 705, 706, 707.1, 707.2, 707.3	30.9961%		
Gross Production Tax on oil 68 O.S. §§ 1001, 1004	Varies by tax rate*	7.14%	
Gross Production Tax (natural gas) 68 O.S. §§ 1001, 1004	Varies by tax rate*	7.14%	
Motor Vehicle License and Excise Tax 47 O.S. § 6-101, 47 O.S. § 6-114, 47 O.S. § 6-115, 47 O.S. § 1004 47 O.S. § 1005 et.seq., 47 O.S. § 1115~1151, 68. O.S. § 2102~2110	33% **	36.20%	0.83% **
Rural Electric Co-op Tax 68 O.S. § 1803, 1806		95%	
Counties with racetracks: Admission Fee Tax 3A O.S. § 207			50% or 100%
Gross Production Tax (asphalt or ores) ³ / ₄ of 1% of value 68 O.S. §§ 1001, 1004	7.14%	7.14%	

*Percentage to County Highway Fund is basically 0.5% of the value of production. County Bridge and Road Improvement Fund receives additional allocations.

**Several of the motor vehicle items are capped at the amount received in FY 15.

Table 2-4 shows the sources and uses of state monies that are transferred to counties.

Cash Funds

Special revenue funds, or cash funds, are created by statute and must be accounted for separately. Accounts within a cash fund are not subject to fiscal year limitations, which means that any cash surplus in an account at the end of a fiscal year remains with that account at the beginning of the new fiscal year. The statutes may reference cash funds as revolving funds. Cash fund revenues come from many sources including the following sources:

1. Excise taxes that the state of Oklahoma collects and distributes to counties
2. State of Oklahoma contributions from its General Revenue Fund
3. Local collections of monies

Cash funds differ from the county general fund in one important way. County general funds can be apportioned by the county excise board according to anticipated receipts. Revenue in cash funds must be actually collected before it can be disbursed. The following are some examples of county cash funds:

- County Sales Tax Fund 68 O.S. § 1370(E)
- County Assessor's Fee Revolving Fund 68 O.S. § 2829.1
- Emergency Management Fund 63 O.S. § 683.17
- County Community Service Sentencing Program (CSSP) Fund 22 O.S. § 991a 4.1
- County Commissioners' Litter Reward Fund 22 O.S. § 1334
- County Highway Fund 69 O.S. § 1503
19 O.S. § 265
2 O.S. § 15-59
- County Clerk's Lien Fee Fund 2 O.S. § 15-13
- County Fair Board Free Fair Fund 28 O.S. § 153(G)
28 O.S. § 153(G)
- Court Clerk's Child Abuse Prevention Fund (Multidisciplinary Report DHS Assessments) 63 O.S. § 1-227
- Court Clerk's Records Management and Preservation Fee Fund 22 O.S. § 991f-1.1 (E)

- District Attorney’s Bogus Check Restitution Fund 19 O.S. § 514.1
- County Sheriff’s Service Fee Fund 68 O.S. § 3137
- County Treasurer’s Resale Property Fund 21 O.S. § 1761.1(A-H)
- County Sheriff’s Trash Dumping Fund (Sheriff’s Environmental Reward Fund) 68 O.S. § 1904
- County Treasurer’s Mortgage Certification Fee Fund 28 O.S. § 152
- Preservation Fee Fund (Effective July 1, 2001) 68 O.S. § 1370.9
- County Lodging Tax Revolving Fund 28 O.S. § 32
- 68 O.S. § 1370.9

Some special cash funds are established periodically as the need arises for federal and state grant programs such as the following examples:

1. Home Rehabilitation Grant Fund
2. Rural Water District Fund
3. Fire District Fund
4. Special Road/Bridge Repair Fund

These special funds are usually set up for the life of the grant program or the special construction project. At the end of the project, the fund is closed.

Cash Fund Appropriations

Revenue for cash fund accounts is deposited with the county treasurer upon receipt. Some funds are deposited electronically directly into the county bank account. The county treasurer creates a miscellaneous receipt upon deposit of any funds.

68 O.S. § 331

NOTE:

The revenue deposited with the county treasurer is NOT available for expenditures until the appropriation of funds is made by the board of county commissioners and the county excise board or the budget board. County sales tax revenues can also be kept in a separate cash fund that has been specifically set up for that purpose.

At the end of the month, the county treasurer apportions the received revenue into the proper cash fund. Upon completing the apportionment of funds, the cash appropriation process can begin by completing [SA&I Form No. 308, Cash Fund Estimate of Needs and Request for Appropriation](#), or its automated equivalent.

- Part One: Certification of Funds Available is completed by the county treasurer.
- Part Two: Creates the Estimate of Needs showing the appropriation account in which the revenue is to be appropriated. This is completed by the county officer, the board of county commissioners, or the county clerk. The completed estimate of needs is presented to the board of county commissioners and approved in an open meeting.
- Part Three: The excise board (or the budget board in counties that have adopted the County Budget Act) reviews the request to determine that the funds are available and that the funds are allocated according to law. Upon approval, the form is returned to the county clerk.
 - This step may be approved by a budget board in those counties that have adopted the County Budget Act.

Upon receipt of SA&I Form No. 308 (or its automated equivalent), the county clerk will post to the appropriation ledger. The revenue is now available for the county officer governing the cash fund to use the funds.

Capital Projects Funds

Money used to acquire or construct major capital facilities is maintained in a capital project fund. For example, money from a road bond issue is recorded in a capital project fund along with expenditures for the road improvement project.

Debt Service Funds

To ensure the adequate accumulation of principal and interest to retire a debt, accounting is maintained through a debt service fund called a sinking fund. Debt issues are typically designed so that the size of the debt service payments (both principal and interest) is very similar from one year to the next. Therefore, the ad valorem tax levy collected and placed in the sinking fund is about the same from year to year. The exact mill levy each year depends on the debt service payment and the taxable valuation.

Special Assessment Funds

Sometimes public improvement districts are established in which the property owners who receive a direct benefit from the improvement pay a proportional share of the expense. The money paid to finance such projects is recorded in a special assessment fund.

Audit Funds

The following funds are classified as audit funds by the Office of the State Auditor and Inspector:

Governmental Funds

- General Fund – chief operating fund of the county
- Special Revenue Fund – used for specific revenues and purposes, for example, cash funds
- Debt Service Fund – resources to meet current and future debt service, for example, sinking funds
- Capital Projects Fund – focused on construction and acquisition

Proprietary Funds

Proprietary funds follow the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recognized in the period in which they are incurred.

Enterprise Funds

When a county intends to finance the provision of goods or services through user fees or charges, an enterprise fund is used to account for the revenues earned, expenses (including depreciation), and net income from the function. The Oklahoma County parking garage is an example of an enterprise fund project.

Internal Service Funds

Some functions within county government are to provide goods and services to multiple individual departments from a centralized source. For example, a county may have a central source for office supplies for all county offices. Revenue and expenditures for such functions are accounted for in internal service funds.

Fiduciary Funds

Fiduciary fund revenues and expenditures are recognized on the basis consistent with the fund's accounting measurement objective as explained in the examples of fiduciary funds below.

Trust and Agency Funds

Trust and agency funds account for assets held by the county in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds. Such funds include expendable trust, nonexpendable trust, pension trust, and agency funds. For example, a self-administered retirement fund for employees would be a trust and agency fund.

- Expendable trust funds are handled in the same way as governmental funds.
- Nonexpendable trust funds and pension trust funds are handled in essentially the same way as proprietary funds. They are accounted for on an accrual basis.
- Agency funds are purely custodial and do not involve measuring changes in financial position. These funds' assets and liabilities are accounted for on an accrual basis.

Other Sources of County Revenue

Funds for County Road and Bridge Construction and Maintenance

Both the federal government and the state provide funds to counties to assist in county road and bridge construction and maintenance.

County Bridge and Road Improvement Fund

The County Bridge and Road Improvement (CBRI) Fund receives a portion of the motor fuel excise tax and gross production taxes. The Oklahoma Tax Commission (OTC) apportions monthly the monies among all of the counties based on the County Road, CR Factor, which is updated annually by the Oklahoma Department of Transportation (ODOT). This formula considers average vehicle miles traveled in the county, county collector miles, and county terrain.

69 O.S. § 657 et seq
69 O.S. § 302.1
69 O.S. § 659-666
2005 AG 6

CBRI funds can only be used by the county that receives the funds. Any cash balances in the account at the end of the year are carried over to the next year. The Oklahoma Statutes list several possible uses.

County Improvements for Roads and Bridges Fund

Effective July 1, 2007, the CIRB program created the County Improvements for Roads and Bridges Fund. The Transportation Commission administers the fund. Its purpose is to construct or reconstruct county roads or bridges that are of the highest priority. The program is funded by a portion of vehicle license and registration fees.

47 O.S. § 1104 (L)
69 O.S. § 507

Other Funds

Other funds for road and bridge construction and maintenance include federal surface transportation program funds and bridge replacement funds. For more information, refer to “Financing for Bridge and Road Construction and Maintenance” in Chapter Fourteen

of *Handbook for County Commissioners of Oklahoma*, “Duties of the County Commissioner: Roads and Bridges.”

Audit Structure

19 O.S. § 171

Each county in Oklahoma shall, every two years, have an audit made by the State Auditor and Inspector. The audit shall be a financial or performance audit to be determined by the State Auditor and Inspector.

The county has the option to prepare financials on a fund-basis format or as prescribed by the Governmental Accounting Standards Board (GASB). When using GASB standards, county funds should be categorized and reported using the Generally Accepted Accounting Principles (GAAP) fund types and classification.

19 O.S. § 171(C)

For county financial audits in primary government, the financial statements must be presented on a fund basis format with, at minimum, the general fund and all other county funds that represent ten percent or greater of total county revenue. All other funds included in the audit must be presented in the aggregate.

Chapter Three

The County Budget Process

Budget Preparation

County officers, the county excise board, and county budget boards (in County Budget Act counties) are required by law to perform several very important functions in the process of budget preparation and review.

This chapter discusses the purpose of budgets in general and the elected officials' roles in the annual budget process, as well as the responsibilities and authority of the county excise board, the board of county commissioners, and the county budget board (in budget board counties) in budget review and approval. It addresses, in particular, the county general fund budget process. Other funds, such as the highway fund, are budgeted and appropriated monthly, rather than annually.

To ensure fiscal responsibility and accountability of public officials to the law and the people they serve, Oklahoma state law requires all units of local government to prepare an annual financial statement and estimate of needs for certain funds, especially the general fund. These documents must be available for inspection by state and county review boards and the general public. The county fiscal year in Oklahoma is July 1 through June 30.

The governing board is responsible for ensuring that each county officer and department files a financial statement (SA&I Form No. 1161 or SA&I Form No. 1162, or their automated equivalents) that shows revenues and expenses for the past year and an estimate of expenditures for the next fiscal year.

68 O.S. § 3002
68 O.S. § 3004

This information is used on the estimate of needs and financial statement, a form prescribed by SA&I. The board then uses that information to report an itemized statement of estimated needs to the county excise board. In counties with a budget board, the key difference is that the budget board submits the proposed budget to the county excise board.

The Purpose of a Budget

Preparing a well-researched and carefully planned budget should help the money managers perform two important tasks:

1. Reviewing the source and expenditure of funds during the past fiscal year
This step reveals how effectively money has been spent and how efficiently programs and projects have been administered.
2. Proposing expenditures on the basis of revenues anticipated during the coming year
This step shows how to efficiently continue or increase past expenditures, and how to prioritize spending for the next fiscal year.

Forms Related to the Budget Process

The county clerk acquires all forms related to the county budget process. The county clerk normally distributes these forms to the county offices upon request.

68 O.S. § 3002
68 O.S. § 3004

The following forms (or their automated equivalents) are the primary forms used in the county budget process:

- County officers annual report forms, [SA&I Form No. 1161](#) and [SA&I Form No. 1162](#)
- Cash Fund Estimate of Needs and Request for Appropriation, [SA&I Form No. 308](#) (used monthly only for cash funds)
- Certificate of Levy, [SA&I Form No. 2633](#)
- Estimate of Needs and Financial Statement, [SA&I Form No. 2631R01 Entity: County](#)
- Officer's Request for Supplemental Appropriation, [SA&I Form No. 388](#)

- Supplemental Estimate, [SA&I Form No. 150](#)
- Transfer of Appropriations, [SA&I Form No. 237](#)

Budget Submissions

The county excise board is responsible for approving the budget and appropriations. The county excise board revises the budget, if needed, and appropriates the funds. They may collaborate with the board of county commissioners. Some counties, however, have elected to have a county budget board, which is largely responsible for budget revisions if the county excise board determines that changes are needed.

[Table 3-1](#) summarizes the differences between the two county budget systems.

County Budgets in Counties with the Commissioner/Excise Board Budget Method

Most counties use the commissioner/excise board budget method. The board of county commissioners prepares and submits estimates of needs for the county to the county excise board. The county assessor must also submit an estimate of needs for the visual inspection program to the county excise board.

68 O.S. § 2822

68 O.S. § 3002

[Table 3-2](#) shows the fiscal timetable for counties that use the commissioner/excise board budget method.

**Table 3-1. Differences Between the Two County Budget Systems:
Commissioner/Excise Board System and Budget Board System**

Activity	Commissioner/Excise Board	Budget Board
Estimates available funds and needs for county	County excise board by July 1	County excise board by a date set by the budget board
Holds budget conference	County excise board	Budget board
Submits budget	Board of county commissioners to county excise board by August 17	Budget board to county excise board by July 1
Makes temporary appropriations	County excise board	Not necessary
Handles inadequate provisions for mandatory functions	County excise board provides an estimate of needs if the officer in charge does not	County excise board returns the budget to the budget board, which must respond in 15 days
Trims requests: Reduced amounts that exceed lawful amount Apportions revenues that exceed appropriation amounts	County excise board or County excise board/board of county commissioners jointly	County excise board, in limited cases County excise board returns budget to the budget board, which must respond within 15 days
Approves balanced, lawful budget	County excise board	County excise board
Amends budget and supplements	Authorized by the county excise board	Authorized by the budget board
Approves budget transfers	Board of county commissioners, which also notifies the county excise board	Budget board

**Table 3-2. Fiscal Timetable for Counties Using
the Commissioner/Excise Board Budget Method**

Date	Activity	Statute Reference
January 1	The county assessor lists, appraises, and assesses all property for ad valorem taxation, based on the estimated fair cash value on January 1.	68 O.S. § 2831
January 1 to March 15	The county assessor accepts personal property renditions from individuals and businesses, homestead exemption applications, and manufacturer’s exemption applications. NOTE: While homestead exemption applications are accepted all year, they must be filed by March 15 to apply to the current year.	68 O.S. § 2832 68 O.S. § 2892 68 O.S. §§ 2902
January 1 to the 4th Monday in April	The county assessor sends notices to those whose exemptions are denied and to anyone whose property value is being increased from the previous year.	68 O.S. § 2876
While the board of equalization is in session	The county assessor begins preparing the assessment roll: the taxable value of property is recorded, the assessment ratio is applied to derive the assessed value, and exemptions are deducted from the assessed value to compute the net taxable value.	68 O.S. § 2842
Before April 30	The county assessor prepares an exemption reimbursement form to be signed by the board of county commissioners and sent to the Oklahoma Tax Commission (OTC) . The exemption reimbursement form shows the amounts of additional homestead and manufacturer’s exemptions that were granted during the previous assessment year. If the OTC approves these exemptions, the state reimburses all or a portion of the taxes lost due to these exemptions. The claims must be approved or disapproved by June 15 each year.	62 O.S. § 193

**Table 3-2. Fiscal Timetable for Counties Using
the Commissioner/Excise Board Budget Method (Continued)**

Date	Activity	Statute Reference
Within thirty (30) days of notice of increase of valuation	Taxpayers may file any complaints regarding assessed value or denial of exemption. The county assessor holds an informal hearing with the taxpayer and makes a decision within seven (7) days. If the taxpayer is still dissatisfied, the taxpayer must file an appeal with the county board of equalization within fifteen (15) days of the date the notice is mailed or delivered.	68 O.S. § 2876 68 O.S. § 2877
April 1 to May 31	The county board of equalization in counties with total assessed valuation of less than one billion dollars hears taxpayers' protests and makes their decisions.	68 O.S. § 2863
Within thirty (30) days after decision of the county board of equalization was mailed	If desired, the county assessor or the taxpayer may appeal any decision of the county board of equalization in district court.	68 O.S. § 2880.1 68 O.S. § 2902
June 15	The county assessor must file the annual abstract of assessment with the OTC.	68 O.S. § 2867
Within ten (10) days of receiving certification	The county assessor files an abstract of assessment (report to county excise board) with the county excise board.	68 O.S. § 2867 2005 AG 17
On or before the first Monday in July	Each county and local governmental entity files a record of earnings and costs for the past year and an estimate of needs for the new fiscal year with the board of county commissioners or their governing board. The report shows amounts for personnel (including travel), maintenance and operation, capital outlay, and other appropriate items. The county assessor shall make adequate provisions for the visual inspection program, which each jurisdiction receives. The county excise board or the budget board shall notify all jurisdictions of any meeting at which discussion or action will take place.	68 O.S. § 3004 68 O.S. § 2822

**Table 3-2. Fiscal Timetable for Counties Using
the Commissioner/Excise Board Budget Method (Continued)**

Date	Activity	Statute Reference
First Monday in July or earlier	The county excise board meets to organize, elect officers, set dates for the budget hearings and other public meetings.	68 O.S. § 3006 68 O.S. § 3012 68 O.S. § 3013 68 O.S. § 3014
After beginning of fiscal year	The county excise board approves temporary appropriations for the new fiscal year.	68 O.S. § 3020
By July 1	The county excise board holds a budget planning conference with each county officer to discuss personnel needs and shall provide, prior to the meeting, a tentative estimate of available revenues for the new fiscal year.	19 O.S. § 180.65
On or before July 25	The county excise board apportions the millage as authorized by the Oklahoma Constitution.	Oklahoma Constitution Article 10 § 9 68 O.S. § 3015
On or before July 31	The State Board of Equalization shall cause the assessed valuations of any railroad, air carrier, or public service corporation to be certified by SA&I to the county assessors of each county in which any portion of the property may be located.	68 O.S. § 2860
By August 17	The board of county commissioners files the financial statements and estimates with the county excise board using a uniform, authorized bookkeeping system. The budget, the financial statement, and the estimate of needs must be published in a legally qualified newspaper.	68 O.S. § 3002 74 O.S. § 214
On date set by county excise board	Up to ten days of public hearings	68 O.S. § 3012 68 O.S. § 3013
Within 15 days after the budget document is filed	The county excise board fixes levies and makes budget appropriations. If property valuations have not been certified, the county excise board has thirty (30) days from the time the values are certified to fix levies and make budget appropriations. Budgets are delivered to the Office of the SA&I. The county clerk publishes a notice that budgets and levies are on file for inspection.	68 O.S. § 3014 68 O.S. § 3022

**Table 3-2. Fiscal Timetable for Counties Using
the Commissioner/Excise Board Budget Method (Continued)**

Date	Activity	Statute Reference
On or before October 1	The county assessor delivers the tax roll to the county treasurer and delivers the tax roll abstract to the county clerk. The county clerk directs the county treasurer to collect the amount contained in the abstract.	68 O.S. § 2869 68 O.S. § 3014
November 1	The county treasurer mails tax statements thirty (30) days after receiving the tax roll to property owners.	68 O.S. § 2869 68 O.S. § 3014 68 O.S. § 2915
Before January 1	Taxpayers must pay at least one-half of each property's ad valorem tax levy.	68 O.S. § 2913
Before April 1	Taxpayers must pay the second half of each property's ad valorem tax levy.	68 O.S. § 2913

The County Excise Board

68 O.S. § 2861
68 O.S. § 3005.1

Each county has one county excise board, which is an agency of the state, created by law, as part of a system of checks and balances required by the Oklahoma Constitution. This board is composed of the members of the county board of equalization. These members are appointed in the following manner:

- One member by the Oklahoma Tax Commission
 - As a matter of practice, the Oklahoma Tax Commission typically seeks the advice of the county's state senator.
- One member by the board of county commissioners
- One member by the district judge or a majority of the district judges in all judicial districts with more than one district judge

The county clerk serves as secretary to the county excise board.

The tenure of the county excise board must be coterminous with that of the county commissioners in districts 1 and 3 and must follow other requirements set forth in the statutes. The county excise board must perform the following functions:

- Require adequate and accurate reporting of finances and expenditures for all budget and supplemental purposes from all county entities
- Provide each county officer with adequate funds for the performance of mandatory constitutional and statutory governmental functions within the financial means available
- Perform other duties as defined in the statutes

68 O.S. § 2861
68 O.S. § 3005.1(A)

The county excise board meets at the county seat on the first Monday in July each year, or on a date determined by county excise board members. The board organizes and elects, for the upcoming fiscal year, one of its members as chairman and another member as vice-chairman to perform certain duties as required by law.

68 O.S. § 3007
68 O.S. § 3014
68 O.S. § 3006
68 O.S. § 3007

Abstract of Assessed Valuations

Within ten (10) days after receiving the certificates of assessment of centrally assessed properties (all the railroads, air carriers, and public service corporations), and the equalized value of real and personal property of the county, the county assessor prepares and files an abstract of assessed valuations for the county and each municipal subdivision within the county with the county excise board. These values are used in preparing the county budgets.

Who Submits Budgets

The following entities should prepare and submit budgets to the county excise board on SA&I-prescribed forms:

- The board of county commissioners (except in counties with budget boards)
- The governing body of each city and town (except Municipal Budget Act cities)
- The board of education of all school districts and technology centers
- Any taxing entity that requires a levy, such as a library, health organization, EMS, or other entity.

11 O.S. § 17-201
11 O.S. § 17-216
68 O.S. § 2867

68 O.S. § 3002

11 O.S. § 17-209

Budget Planning Conference

The county excise board holds a budget planning conference with each principal officer and department head before July 1 to discuss personnel needs for the next fiscal year. Before this meeting, the board provides the principal officers with an estimate of probable revenues for the next fiscal year.

19 O.S. § 180.65(E)

County Officer's Annual Report

Following the budget planning conference, each county officer prepares the County Officer's Annual Report on [SA&I Form No. 1161](#) or [SA&I Form No. 1162](#) (or their automated equivalents), which are provided by the county clerk. This report is actually two reports: a financial report of earnings and expenditures and an estimate of needs. This report must be submitted to the board of county commissioners (through the county clerk acting as the secretary to the board) by the first Monday in July and consists of the following information:

19 O.S. § 345

- An estimate of earnings for the past year

- A report of expenditures for the past year
- An estimate of needs for the coming year

The estimate of earnings and the report of prior expenditures show the income received along with the costs of operating the office in the previous fiscal year. The estimate of needs is an itemized statement of the funding needed to operate the office during the upcoming fiscal year.

68 O.S. § 3004

Role of Board of County Commissioners

On the first Monday in July, the board of county commissioners is required by law to meet to begin the following processes:

- Review the county officers' annual reports
- Prepare the county's financial statement for the fiscal year ended June 30
- Prepare the county's annual estimate of needs for the next fiscal year ending June 30

19 O.S. § 345
68 O.S. § 3002
68 O.S. § 3003
68 O.S. § 3004

County's Annual Budget Report

The county's annual financial statement and annual estimate of needs form, [SA&I Form No. 2631R01 Entity: County](#) or its automated equivalent, constitute the county's annual budget report (except in counties with budget boards).

68 O.S. § 3002
68 O.S. § 3004

The preparation of the county's annual financial statements and annual estimate of needs are the responsibility of the governing board. Counties most generally hire a budget maker (accountant) to complete the financial statements and budget. SA&I requires counties to use an electronic format to prepare the documents. Budget makers must be on the State Auditor's approved list. Approval requires attending a mandatory training. Upon completion, the budget maker will have access to the form. This form constitutes the county's annual budget report.

68 O.S. § 3002
68 O.S. § 3004

The financial statement and estimate of needs of every county are posted on the SA&I website for review and download.

The financial statement should show a list of county monies received and disbursed during the previous fiscal year. The itemized estimated budget for the next fiscal year should include the following information:

- The probable expenses of all elected officers and their departments for the coming year
- The amount required by law for any sinking fund
- Probable income from ad valorem taxes and sources other than ad valorem taxes

68 O.S. § 3002
68 O.S. § 3003

NOTE:

The statutes specifically prohibit the board of county commissioners from including any revenue from nonrecurring sources in this income estimate.

Publication of Financial Statement and Budget

When it is completed, the board of county commissioners must have printed a full and accurate statement of the assessments, receipts, and expenditures of the preceding year. This is a financial statement.

68 O.S. § 3002
19 O.S. § 345

Each financial statement and estimate of needs must be published in one issue of a legally qualified newspaper. The publication format is prescribed by SA&I as shown in Exhibit Z of the SA&I financial statement and estimate of needs form. An affidavit showing the publication must be attached when the financial statements and estimates of need are filed with the county excise board.

68 O.S. § 3002

Presentation of Financial Statement and Budget to the County Excise Board

Before August 17, the board of county commissioners must submit the completed financial statement and estimated budget to the county excise board and sign the statement of certification, which certifies that the documents are filed in the county clerk's office. Usually the county clerk, serving as secretary to the county excise board, files the documents with the Office of the SA&I and signs the certificate.

68 O.S. § 3002
11 O.S. § 17-208
11 O.S. § 17-209
(D)

NOTE:

Municipalities that have opted to prepare a budget pursuant to the Municipal Budget Act do not file their budgets with the county, but file them with the Office of the SA&I. However, the sinking fund schedule must be submitted to the county excise board.

Review and Approval of the County Budget

68 O.S. § 3007

In approving the county budget, the county excise board should follow certain procedures:

- Examine the financial statements of the county officers to determine the true fiscal condition of each fund and the accounts within each fund as of June 30 and request additional information when necessary
- Examine the estimates of need for the following criteria:
 1. Determine if a request is lawful and adequate
 2. Provide for mandatory items that are not included
- Compute the total revenues available to each fund
- Revise the budget in whole or part through the following steps when the total estimate of needs exceeds the total revenues available:
 1. Reduce items for functions authorized, but not required, by constitutional law or statutory law
 2. If necessary, then reduce items for functions required by statutory law
 3. If necessary, then reduce items for functions required by constitutional law

The county excise board does not have the authority to deny an appropriation for a lawful purpose if the revenue and income are available.

NOTE:

The county clerk files all budgets with the Office of the SA&I.

The county excise board shall fix the time and place for public hearings regarding budgets. The notice of these hearings shall be provided in one publication of general circulation. Any taxpayer may appear for or against any part of the statements of estimated needs for the current fiscal year. The county excise board has the power to call in the county official or person in charge for examination concerning estimated needs. Budget hearings may last up to ten days.

Neel v Board of County
Com'rs of Cherokee
County, 1980 OK 130, 617
P.2d 201

68 O.S. § 3012
68 O.S. § 3013
68 O.S. § 3006

Publication of Approved Budget

The county clerk must publish a one-time notice in a newspaper of general circulation in the county stating that the approved budget is completed and is on file for inspection by any citizen at the county clerk's office.

68 O.S. § 3022

Transfer of Appropriations

The county clerk receives requests for transfers of appropriations as secretary to the governing board. If the governing board makes any transfers of appropriations, the county clerk makes the proper entries in the appropriation ledger and then notifies the county excise board in writing.

62 O.S. § 461

A transfer of appropriations occurs when monies are transferred within a fund from an account with a surplus to another account that needs additional revenues. Monies can be transferred within a fund but cannot be transferred from one fund to another fund except in budget board counties under limited circumstances. Thus, a transfer of appropriations neither increases nor decreases the fund's balance.

19 O.S. § 1420

In budget board counties, if at any time during the budget year it appears probable that revenues available will be insufficient to meet the amount appropriated, or that, due to unforeseen emergencies, there is temporarily insufficient money in a particular fund to meet the requirements of appropriation in the fund, the county budget board shall take such action as it deems necessary. For that purpose, it may amend the budget to reduce one or more appropriations, or it may amend the budget to transfer money from one fund to another fund, but no appropriation for debt service may be reduced and no appropriation may be reduced by more than the amount of the unexpended and unencumbered balance. No transfer shall be made from the debt service fund to any other fund except as may be permitted by the terms of the bond issue or applicable law.

A transfer of appropriations may occur between budget accounts in the county general fund. For example, a transfer of appropriations within the county general fund may be made from the unexpended and unencumbered balance of the appropriation of a county office with less urgent needs to the account of a county office with immediate urgent needs.

County officers make requests to the governing board for a transfer of appropriation on SA&I Form No. 237 or its automated equivalent. The following information must be provided when requesting a transfer of appropriation:

- The additional needs that require a transfer of appropriation
- The reason for the additional needs
- A detailed list of items
- A detailed list of items proposed to be canceled in the account from which the transfer is made
- The written consent of the county officer in charge of the account from which the transfer is made

A transfer of appropriations requires the approval of the governing board, which permits both the transfer and the cancellation or reduction of the appropriation in the original account.

NOTE:

A general fund appropriations account must have at least One Dollar (\$1.00) in it before any monies can be transferred into it. Monies cannot be transferred into a zero-balance account. In budget board counties, the Office of the SA&I recommends that transfers of funds between funds occur only under limited special circumstances. Restricted funds cannot be transferred to another fund.

Transfers for Error Correction

Transfers to correct errors are sometimes necessary. However, these transfers need to be noted as error corrections so that they are not included in the fiscal year-end financial statement. Since the purpose is to correct an error of an item accidentally paid from the wrong account or accidentally deposited into the wrong account, the transfer should be netted out of either revenue or expenditures. If the error is from a previous fiscal year, then it will be shown on the financial statement as a "true transfer" whether it is going in or out. See Standard Operating Procedure (SOP) 11 & 12 in the *Chart of Accounts and Standard Operating Procedures* for more information.

Transfers for Emergency and Transportation Revolving (ETR) Loans

When the county receives an Emergency and Transportation Revolving (ETR) loan, those proceeds are to be deposited into a trust and agency account, because ETR loans are not technically county funds. The funds needed for the road project should then be transferred into the appropriate highway fund. When the highway fund has enough revenue available to repay the loan, the funds would be transferred back to the ETR loan. The county then issues a voucher to the circuit engineering district to repay the ETR loan. By using this method, the revenue and expenditures will not be overstated on the county's financial statements. See Standard Operating Procedure (SOP) 4 in the *Chart of Accounts and Standard Operating Procedures* for more information.

Supplemental and Additional Appropriations

All requests for supplemental or additional appropriations are filed with the county clerk as secretary to the county excise board and the county budget board. Requests are made on SA&I Form No. 388, [Officer's Request for Supplemental Appropriations](#), or its automated equivalent. The board of county commissioners would have completed SA&I Form No. 150, [Supplemental Estimate](#) (or its automated equivalent), or the county budget board would have completed a similar document.

68 O.S. § 3007
68 O.S. § 3021

The requests must include specific information:

- Date of request
- Statement of amount and purpose
- A financial statement, as of the close of the preceding month, which indicates the following items:
 - Current expense
 - Amount of cash unexpended
 - Amount of taxes in process of collection
 - Amount of uncollected portion of estimated income other than ad valorem tax for current fiscal year

- Amount of warrants outstanding and interest earned and accruing
- Amount of expended balance of fund
- Surplus or deficit in revenue, if any

If sufficient surplus revenue is shown, the county excise board may approve the supplemental and additional appropriation. If the revenue is insufficient, the county excise board may revoke or cancel any previous appropriation and replace it with a supplemental and additional appropriation required for the good of the public.

Interfund Loans (Temporary Transfers)

68 O.S. § 3021

If at any time during the budget year it appears to the county treasurer that a particular fund temporarily has insufficient monies to meet the appropriation requirements of that fund, the county excise board, at the request of the county treasurer and upon notification to the board of county commissioners, may temporarily transfer money from one fund to any other fund with the permission of the county officers in charge of the fund that the money will be temporarily transferred from. No transfer shall be made from the debt service fund to any other fund except as may be permitted by the terms of the bond issue or applicable law. Any funds temporarily transferred shall be repaid to the original fund from which they were transferred within the fiscal year that the funds were transferred.

Temporary Appropriations (Commissioner/Excise Board Budget Counties)

68 O.S. § 3020

From July 1 each year until the time the various county budgets are approved, county excise boards can appropriate the amount of available funds estimated for the fiscal year for temporary appropriations.

If the county excise board approves a temporary appropriation, that appropriation must be merged into the annual appropriation, and any warrants drawn against the temporary appropriation must be charged against the final approved annual appropriation for the current fiscal year, including capital outlay items.

City or Town Budgets in Counties Where County Excise Boards are Responsible for the Budget

The governing body of each city and town must prepare a financial statement that shows the true fiscal condition of all its accounts and funds as of June 30. This body should also prepare an itemized statement of estimated needs and probable income from sources other than ad valorem taxes for the new fiscal year. The financial statement and estimate of needs must be supported by schedules or exhibits that show, by categories, the amount of all receipts and disbursements.

68 O.S. § 3002

Statement of Estimate of Needs

The statement of estimate of needs must be itemized to show, by classes, the following information:

- The amounts necessary for the current expenses of the city or town for each officer and department
- The amount required by law to be provided for any sinking funds (debt purposes)
- The probable income that will be received from all sources other than ad valorem taxes

The financial statement and estimate of needs must be published in a legally qualified newspaper within the county. Financial statements and estimates of need for towns must be filed with the county excise board on or before August 22. Statements and estimates for cities must be filed with the board on or before August 27.

Revenue received during the past fiscal year from any nonrecurring source, such as the sale of land, gifts, windfalls, forfeitures, and federal aid allotments are not to be included in the estimate of probable income.

68 O.S. § 3003

All monies distributed by federal, state, or tribal governments and received by any state agency, board, or commission to administer and distribute to counties, cities, towns, or other subdivisions of the government in this state (referred to as the recipient government) that do not follow procedures outlined in Title 68, Section 3003 of the statutes may utilize the letter of commitment appropriation process as specified in the statutes. The recipient government shall receive approval for the program as required by the agency, board, or commission administering the program and by the federal government, if required.

68 O.S. § 3003

Once approved, the state agency, board, or commission may authorize a letter of commitment of federal, state, or tribal monies available to the recipient government. The excise board may approve an appropriation in the amount of the letter of commitment. Each recipient government may establish a separate appropriation within a special revenue fund designated for federal, state, or tribal monies. The recipient government may encumber funds in an amount not to exceed the sum of the total letter of commitment, which is a binding commitment of funding which the recipient government will receive for the project or projects eligible for such federal funding.

The encumbrance of funds shall be made in accordance with procedures prescribed by the State Auditor and Inspector and shall be administered in accordance with rules and regulations concerning such distribution adopted by the federal government and the state agency, board, or commission. Any expenditure incurred by the recipient government using the letter of commitment appropriation process and disallowed by the federal, state, or tribal government or state agency, board, or commission administering the funds shall be paid by the recipient government.

School District Budgets in Counties Where County Excise Boards are Responsible for the Budget

The board of education of each independent school district must meet on the first Monday in July of each year, and the board of education of each dependent school district must meet on the second Tuesday in July of each year to prepare a financial statement for the previous year ending June 30.

68 O.S. § 3002

The financial statement shows a list of monies received and disbursed during the previous fiscal year. In addition to the financial statement, an estimate of needs should be prepared that includes the following information:

- The current expenses of the school system
- The amount required by law for any sinking fund
- Probable income from sources other than ad valorem taxes (Revenue from non-recurrent sources are not included.)

The financial statement and estimates of all school boards, forms prescribed by SA&I, must be filed with the county excise board (or the county clerk) on or before October 1 of each year.

County Budgets in Counties with County Budget Boards

Table 3-3 shows the fiscal timetable for counties with budget boards. The initial activities by the county assessor in preparing the abstract of valuations are the same as in counties that use the commissioner/excise board budget method. The primary difference between the two methods is that the budget board, not the board of county commissioners, considers the estimates of needs and prepares the proposed budget to present to the county excise board. The budget is also completed and approved much earlier in a budget board county.

Table 3-3. Fiscal Timetable for Counties Using the Budget Board Budget Method

Date	Activity	Statute Reference
January 1	The county assessor lists, appraises, and assesses all property for ad valorem taxation, based on the estimated fair cash value on January 1.	68 O.S. § 2831
January 1 to March 15	The county assessor accepts personal property renditions from individuals and businesses, homestead exemption applications, and manufacturer’s exemption applications. NOTE: While homestead exemption applications are accepted all year, they must be filed by March 15 to apply to the current year.	68 O.S. § 2832 68 O.S. § 2892 68 O.S. § 2902
January 1 to the 4th Monday in April	The county assessor sends notices to those whose exemptions are denied and to anyone whose property value is being increased from the previous year.	68 O.S. § 2876
While the board of equalization is in session	The county assessor begins preparing the assessment role: the taxable value of property is recorded, the assessment ratio is applied to derive the assessed value, and exemptions are deducted from the assessed value to compute the net taxable value. The county assessor delivers the assessment role to the county board of equalization.	68 O.S. § 2842
Before April 30	The county assessor prepares exemption reimbursement forms to be signed by the board of county commissioners and sent to OTC. The exemption reimbursement forms show the amounts of additional homestead and manufacturer’s exemptions that were granted during the previous assessment year. If OTC approves these exemptions, the state reimburses all or a portion of the taxes lost due to these exemptions. NOTE: The claims must be approved or disapproved by June 15 each year.	62 O.S. § 193
Within twenty (20) days of notice of increase in valuation	Taxpayers must file any complaints regarding assessed value or denial of exemption. The county assessor holds an informal hearing with the taxpayer and makes a decision within seven (7) days. If the taxpayer is still dissatisfied, the taxpayer must file an appeal with the county board of equalization within fifteen (15) days.	68 O.S. § 2876 68 O.S. § 2877

**Table 3-3. Fiscal Timetable for Counties Using the Budget Board Budget Method
(Continued)**

Date	Activity	Statute Reference
April 1 to May 31	The county board of equalization in counties with total assessed valuation less than one billion dollars hears taxpayers' protests and makes its decisions. In counties with greater than one-billion-dollar-valuation, sessions begin the 4th Monday in January and, if necessary, may extend beyond May 31.	68 O.S. 2863
Within thirty (30) days after decision of the county board of equalization was mailed	If desired, the county assessor or the taxpayer may appeal any decision of the county board of equalization in district court.	68 O.S. § 2880.1
On or before a date set by the budget board	The county excise board provides a tentative estimate of anticipated revenues, from all sources, classified by funds.	19 O.S. § 1411
On or before a date set by the budget board	<p>Each county officer and department head prepares a record of earnings and costs for the past year and an estimate of needs for the new fiscal year and meets with the budget board.</p> <p>The report shows amounts for personnel, maintenance and operation, capital outlay, and other appropriate items.</p> <p>The county assessor prepares the estimate of needs for visual inspection.</p> <p>The budget board must notify taxing entities.</p>	<p>68 O.S. § 3004 19 O.S. § 1411</p> <p>68 O.S. § 2822</p>
By June 1	The budget board completes a budget for each fund.	19 O.S. §§ 1410, 1417
By June 10	The budget board must give public notice of a budget hearing.	19 O.S. § 1412

**Table 3-3. Fiscal Timetable for Counties Using the Budget Board Budget Method
(Continued)**

Date	Activity	Statute Reference
By June 15	The budget board must hold a public hearing on the proposed budget.	19 O.S. § 1412
June 15	The county assessor must file the annual abstract of assessment with OTC.	68 O.S. § 2867
By June 23	The budget board adopts the budget.	19 O.S. § 1413
By July 1	The budget board files the approved budget with the county excise board, the county clerk, and the Office of the SA&I.	19 O.S. § 1413 19 O.S. § 1414
July 1	The budget goes into effect subject to the final approval of the county excise board.	19 O.S. § 1413
Varies	If the county excise board finds that revisions are needed to the budget, the budget board must submit a corrected budget within fifteen (15) days.	19 O.S. § 1414(A.2,3,4)
Within 15 days	The county excise board computes appropriations and levies taxes The county clerk, as secretary to the county excise board, certifies the approved budget to the budget board, the county treasurer, and the Office of the SA&I. After filing the budget with the Office of the SA&I, any taxpayer may file protests against any alleged illegality of the budget.	19 O.S. § 1414 19 O.S. § 1415
On or before July 31	The State Board of Equalization certifies the valuation of locally assessed property and the valuation of centrally assessed property to the county assessor. After this time, the board may amend the initial budget and approve the final budget,	68 O.S. § 2860 19 O.S. § 1420
On or before October 1	The county assessor delivers the tax roll to the county treasurer and delivers the tax roll abstract to the county clerk. The county clerk directs the county treasurer to collect the amount contained in the abstract.	68 O.S. § 2869 68 O.S. § 3014
November 1	The county treasurer mails tax statements (within thirty (30) days after receiving the tax roll) to property owners.	68 O.S. § 2869 68 O.S. § 2915
Before January 1	Taxpayers must pay at least one-half of each property's ad valorem tax levy.	68 O.S. § 2913
Before April 1	Taxpayers must pay the second half of each property's ad valorem tax levy.	68 O.S. § 2913

The County Budget Act

The County Budget Act allows the eight elected county officials to work as a unit in preparing the county budget. The County Budget Act is structured to accomplish the following responsibilities:

- Establish a budget procedure for county governments
- Establish uniform fiscal procedures for the preparation, adoption, execution, and control of budgets
- Enable a county to make financial plans for both current and capital expenditures
- Make the financial condition and needs of the county available to the public and to investors
- Assist a county with governmental accounting, auditing, and financial reporting standards

19 O.S. § 1403

19 O.S. § 1407

Once a county elects to come under the County Budget Act, this act takes precedence over any other state laws applicable to the county budget. Any action of the board of county commissioners to implement or repeal the application of this act must be effective at the beginning or the end of a budget year.

19 O.S. §§ 1401 et. seq. ~ 1421

The County Budget Board

A county budget board is established once the board of county commissioners votes to have the budget procedures come under the County Budget Act. The budget board consists of eight elected county officers and should be structured in the following manner:

19 O.S. § 180.65

- The chairman is the chairman of the board of county commissioners.
- The vice-chairman is elected by the county budget board members and serves in the chairman's absence.
- The secretary is the county clerk.

If a vacancy occurs, the county officer's chief deputy may fill the budget board position until a new county officer is appointed or elected.

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Meetings

The following rules apply to county budget board meetings:

19 O.S. § 1407

- The county budget board must hold regular meetings on dates set by that board.
- The chairman or any two budget board members can call special meetings.
- A quorum comprises a majority of all members of the county budget board in office and is required to transact business.
- Any official action in adopting or revising the county budget requires a majority vote of all members of the county budget board.

Report of Estimated Revenues and Expenses

Each county officer, department head, and commission must submit a report of estimated revenues and expenditures on a form provided by the county budget board. The information must be reported in the following manner:

19 O.S. § 1411(B)

1. Actual revenues and expenditures during the preceding fiscal year
2. Budget estimates for the current fiscal year
3. Actual revenues and expenditures for a period of six to nine months for the current fiscal year
4. Estimated actual revenues and expenditures for the current fiscal year
5. Estimated revenues and proposed expenditures for the new budget year

19 O.S. § 1410

Prior to submitting this report, each county officer and department head must meet with the county budget board to discuss their needs.

Budget Preparation

The county budget board must prepare a budget for budgeted county funds thirty (30) days prior to the beginning of the fiscal year. These budgets provide a complete financial plan for the upcoming budget year.

19 O.S. § 1411
19 O.S. § 1410

The Office of the SA&I prescribes the budget format, and it must include the following information:

19 O.S. § 1411

- Revenues and expenditures for the preceding fiscal year
- Estimated revenues and expenditures for the current fiscal year
- Estimated revenues and expenditures for the new budget year

19 O.S. § 1408

19 O.S. § 1410

The following procedures must be followed when reporting the estimates of revenues and expenditures:

19 O.S. § 1410

- The estimate of revenues must include the probable income by source that the county is empowered to collect or receive at the time the budget is adopted.
- The estimate of revenues must be based on past and anticipated receipts.
- Revenues from the ad valorem tax must be budgeted within the amount estimated by the county excise board as being available for appropriation.

19 O.S. § 1410

- Expenditures must be budgeted within the estimated revenues for each fund.
- Miscellaneous expenditures cannot exceed 10 percent of the estimated revenues for a fund.
- Interfund transfers must show the funds to which and from which the transfers are made.

19 O.S. § 1411(A)

Three basic events occur before and during the budget preparation process:

1. Anticipated revenues by source and fund are provided by the county excise board.
2. The county budget board reviews the budget requests of each county officer and department head.
3. The county budget board revises the budget requests when justifiable and then finalizes the proposed budget.

19 O.S. § 1411(C)

The county budget board sets the date for receiving the county excise board's report of anticipated revenues.

Classifying Revenues and Expenditures

19 O.S. § 1417

Revenues must be classified by sources. Expenditures are reported by functions within each fund. The Office of the SA&I's *Chart of Accounts and Standard Operating Procedures for Oklahoma Counties* prescribes the accounting system used to classify revenues and expenditures. Functions for reporting expenditures and revenues are classified according to the following categories:

- Salaries and wages (Personnel Services)
- Employee benefits
- Operating expenses (M & O)
- Other charges from money channeled through the county (such as flood relief payments)

- Capital outlays
- Debt service

Public Hearings and Protests

The county budget board must hold a public hearing on the proposed budget no later than fifteen (15) days before the new fiscal year. The date, time, and location of the hearing plus the proposed budget summaries must be published in a newspaper with general circulation within the county at least five (5) days before the hearing. Any person can present comments, questions, or criticisms at the public hearing.

19 O.S. § 1412

Budget Adoption

After the public hearings and at least seven (7) days before the new fiscal year, the county budget board must adopt a budget for each fund. When adopting a budget, the county budget board has the following responsibilities:

19 O.S. § 1413

- To increase, delete, or decrease items in each budget if necessary
- To ensure that expenditures do not exceed the estimated revenues in any fund

19 O.S. § 1415
19 O.S. § 1416

The adopted budget must be filed, along with the affidavit and proof of publication, with the county excise board, the county clerk, and the Office of the SA&I on or before the first day of the budget year. When the adopted budget is filed, the following criteria take effect:

19 O.S. § 1413(A)

- The budget is in effect on the first day of the new fiscal year.
- The budget constitutes an appropriation for each fund subject to the final approval of the county excise board.

19 O.S. § 1413(B)

19 O.S. § 1413(C)

From the day the adopted budget is certified by the Office of the SA&I, a taxpayer has fifteen days to file a protest.

19 O.S. § 1415

County Excise Board's Role

19 O.S. § 1411

In counties under the County Budget Act, the county excise board has the following duties and powers:

19 O.S. § 1415

- To provide estimates of anticipated revenues on or before the date set by the county budget board
- To examine the adopted budget
- To strike unlawful items from the adopted budget and reduce unlawful amounts to authorized levels
- To return the adopted budget to the county budget board if mandatory items or amounts are not provided, or if appropriations from ad valorem tax revenues exceed the revenues available
- To approve the adopted budget if it is within the income and revenues available
- To compute levies
- To certify the approved budget to the county budget board, the county treasurer, and the Office of the SA&I

19 O.S. § 1414

19 O.S. § 1414(A)

19 O.S. § 1414(A, B)

19 O.S. § 1414(C)

19 O.S. § 1414(A)

The county budget board has fifteen days from the return of a budget to revise and resubmit it to the county excise board. Copies of the certified budget are filed with the county clerk and the Office of the SA&I.

Amended Budget

The county budget board can amend budgets to allow for the following items:

- Supplement or reduce appropriations
- Transfer appropriations
- Transfer special fund balances

19 O.S. § 1420

19 O.S. § 1418

19 O.S. § 1419

Amendments for supplemental appropriations must be adopted by an official action of the county budget board. Copies of the supplemental appropriation must be filed with the county clerk, the county excise board, and the Office of the SA&I.

19 O.S. § 1420(C)

Receiving Assistance and Audits

Office of the State Auditor and Inspector

SA&I personnel can advise county officers on procedural and technical matters that relate to accounting and budget procedures. County officers may also seek legal and technical assistance from their district attorney.

74 O.S. § 212.1

The Office of the SA&I must perform an audit every two years of all of the books, records, and accounts of all of the officers of each county. SA&I must file a copy of all audits with the Governor, the district attorney, and the county clerk.

19 O.S. § 171
19 O.S. § 174

The Office of the SA&I must transmit a copy of the letter of transmittal of each audit report to every legal newspaper published in the county where the audit report is filed with the county clerk.

19 O.S. § 174.1

The Office of the SA&I may also require an audit of the books and records of any county official or custodian of any of the funds of the county after the death, resignation, or removal of office of any county official.

The District Attorney

The county excise board may require the district attorney to attend any of its sessions when passing upon the validity or invalidity of items of appropriation. This board may also request the district attorney's opinion in writing.

68 O.S. § 3008

Understanding County Finances

OSU Extension Fact Sheet AGEC-902, "[Comparison of County Government Finances](#)," provides a comparison of Oklahoma counties and their reported finances.

Another publication of interest published by the Oklahoma Cooperative Extension Service is the "[Abstract of County Government General, Highway, and Special Revenue Funds in Oklahoma](#)."

Chapter Four

The County Accounting System

Standardized Chart of Accounts and Operating Procedures

The Oklahoma Statutes mandate that the Oklahoma State Auditor and Inspector shall prescribe a uniform system of bookkeeping for use by all county officials in Oklahoma to afford a suitable check upon their mutual acts, to ensure a thorough inspection, and to ensure the safety of the state and county funds. Effective July 1, 2020, the new Chart of Accounts and Standard Operating Procedures was mandated for county government in Oklahoma by the State Auditor and Inspector.

74 O.S. § 214

The Chart of Accounts (COA) is a framework for the systematic reporting and accounting for county government transactions. The classification and coding structure is an effective system when used throughout the budgeting, accounting, and reporting cycles.

The Standard Operating Procedures (SOP) are designed to provide step-by-step instructions compiled by the Office of the State Auditor and Inspector to help carry out complex routine financial transactions. The SOPs are specific to county government financial accounting and will provide proper accountability and reporting of county revenue and expenditures.

All elected officials should be familiar with the mandated accounting structures. For complete instructions and explanation, please refer to the SA&I website for the most recent *Chart of Accounts and Standard Operating Procedures for Oklahoma Counties*.

Account Structure

Funds

The accounting systems in counties in Oklahoma are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Each account within a fund records a more narrowly defined activity that fits within the broader goals of the fund. For example, the county general fund includes accounts for the county clerk, the court clerk, the county sheriff, and other county officers' expenditures.

For accounting and financial management, each county has a combination of several distinctly different fiscal and accounting entities or funds. Each fund has a separate set of accounts and functions that are independent of other funds and accounts. The accounting process in Oklahoma counties uses three broad categories of funds. For a complete listing of funds, see the chart of accounts (COA).

- **Governmental Funds**

This category is the most frequently used fund category in county government.

Governmental funds focus on the revenues, expenditures, and ending balances for most county functions. An example is the county general fund, which is described in Chapter Two, "Sources of Revenue," of this handbook.

Governmental fund revenues and expenditures are recognized on a modified accrual basis. Revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the period in which the money is encumbered (obligated). However, in the case of unmatured interest on long-term debt, such expenses should be recognized when they are due.

- **Proprietary Funds**

Any activity that is operated similarly to funds in the private sector is accounted for through a proprietary fund. The main purpose of these funds is to determine net income, financial position, and changes in financial position.

- **Fiduciary Funds**

Fiduciary funds account for assets held by the county in a trustee capacity for individuals, private organizations, other governmental units, or other funds. Examples of fiduciary funds are county employee pension funds and protest tax trust funds.

Department Account

The department is the smallest organizational unit for which budget and accounting information is to be processed and measured within a fund. Each county office presents a departmentalized budget within the appropriate fund. See the COA for a complete listing of departments.

62 O.S. § 331

Expense Account

A department account is a category within a fund and is made up of items of appropriation. An expense account is also called an appropriation account. Items of appropriation include salaries, travel, maintenance and operations, computer operations, and capital outlays. See the COA for a complete list of accounts.

68 O.S. § 3010
68 O.S. § 3011
19 O.S. § 180.65

Estimate of Probable Income

An estimate of probable income is income for the county general fund that is expected to be received in the new fiscal year from recurring sources.

The county excise board provides the county officers with an estimate of probable income each year at, or prior to, the budget planning conference. This information helps county officers in preparing the estimate of needs for their respective offices.

Transfer of Appropriations

A transfer of appropriations typically occurs when monies are transferred within a fund from an account with a surplus to another account that needs additional revenues. Monies can be transferred within a fund and sometimes are transferred from one fund to another fund. Thus, a transfer of appropriation within a fund neither increases nor decreases the fund's balance. The statutes allow budget board counties to transfer monies between funds in limited circumstances.

62 O.S. § 461
19 O.S. § 1410
19 O.S. § 1418

Please refer to "Transfer of Appropriations" in Chapter Three for a detailed explanation.

Transfer of Special Fund Balance

A transfer of special fund balance occurs when monies are transferred to the county general fund from a special fund that is no longer needed. The laws that govern the special fund must be followed before the fund can be discontinued. (See SOP#10 of COA).

19 O.S. § 1419
62 O.S. § 333
62 O.S. § 445

Warrants

A warrant is a claim against an appropriation account for payment of salaries, an item purchased, a service provided, or basically any expense incurred by the county. The county clerk prepares all warrants, which are then approved by the governing board and signed by the chairman of that board.

19 O.S. § 347
62 O.S. § 471
62 O.S. § 475

The county clerk delivers a signed warrant to the county treasurer for registration and then sends the warrant to the employee or vendor to whom the payment is due. Each warrant includes the department, fund, and account to be charged for the expenditure.

Banks that handle the county's monies notify the county treasurer when a vendor has claimed a warrant. When money is available in a specific account, the county treasurer redeems the warrant by writing a county treasurer's check to the bank. All warrants must be redeemed by a check signed by the county treasurer.

A warrant serves as a check.

62 O.S. § 471(B)

County Bank Accounts

All monies received in the county treasurer's office must be deposited into accounts in banks designated as county depositories by the board of county commissioners. County depositories may include banks, trust companies, credit unions, and savings and loan associations within Oklahoma. The two basic checking accounts are the official depository account and the general account. Multiple banks are typically used.

19 O.S. § 121

Official Depository Account

The official depository account is a trust or agency account maintained by the county treasurer. All county officers must deposit with the county treasurer all monies received by virtue of their offices. The county treasurer is then responsible for depositing this money into the official depository account and crediting each county officer's depository account for the amount deposited.

19 O.S. § 681
19 O.S. § 682

All withdrawals from the official depository account must be made on the official voucher of the county officer who made the deposit.

The General Account

Various monies collected by county officers and placed in the official depository account must be transferred to the appropriate funds at the close of each month (on or before the second Monday following the close of the calendar month). This money is transferred using a county officer's official voucher. Monies accruing to a fund maintained by the county are transferred to the county's general account.

19 O.S. § 684

The general account is the county's principal checking account and contains all funds other than those in the official depository account.

NOTE:

The county general account is not the same as the county general fund described in Chapter Two, "Sources of Revenue." The county general fund is one of several funds contained in the general account.

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Chapter Five

Governmental Tort Claims Act

The Tort Claims Act in Oklahoma

The original tort claim statute was passed in 1978 under the title, “Political Subdivision Tort Claims Act,” and numerous revisions have been made since then. This chapter covers only the latest form of those statutes and only those portions of the Oklahoma Statutes that apply to county government.

51 O.S. §§ 151 et. seq. ~170
19 O.S. § 4

The Governmental Tort Claims Act allows Oklahoma citizens to file claims and bring suits against state and county entities. In the Governmental Tort Claims Act, the state of Oklahoma waives its sovereign immunity and the sovereign immunity of political subdivisions of the state, including counties.

A tort is defined as a legal wrong, independent of contract that involves the violation of a duty that results in a loss to any person, association, or corporation caused by an act by public officials within the scope of their employment.

Tort claims are claims brought by citizens against the county for damages. For example, if a person breaks a leg because of county roadwork, that individual might bring a claim against the county.

Tort claims are filed with the county clerk, who then presents them to the board of county commissioners.

A tort claim is not a lawsuit. The board of county commissioners must listen to tort claims and, in cooperation with their insurance provider or adjustor, determine whether they are justified. They must then deny the claim or award damages to the claimant. If the claimant's claim is denied, the claimant has the option to file a lawsuit. In some counties, the safety committee considers claims.

Figure 5-1 shows the steps in the tort claims process.

Liability Insurance

The county may secure liability insurance in any of the following ways:

51 O.S. § 169

- The county may insure itself against any and all liabilities it might incur for death, injury, or disability of any person or damage to property, real or personal.
- The county may insure any employee for liability from acts or omissions within the scope of their employment.
- The county may insure against the expense of defending a claim against the county.

The county may insure itself or its employees against any loss, damage, or liability as defined in the Oklahoma Statutes. Any insurance secured by the county is considered a proper expenditure of county funds and may be provided in one or more of the following ways:

- Self-insurance
- Insurance from any authorized insurer
- Any other insurance secured in accordance with other methods provided by law

Two or more counties, by interlocal agreement, may jointly secure insurance by any of the methods stated above.

Filing Claims

All county officials should be aware that any person could file a claim against the county or its employees under the Governmental Tort Claims Act.

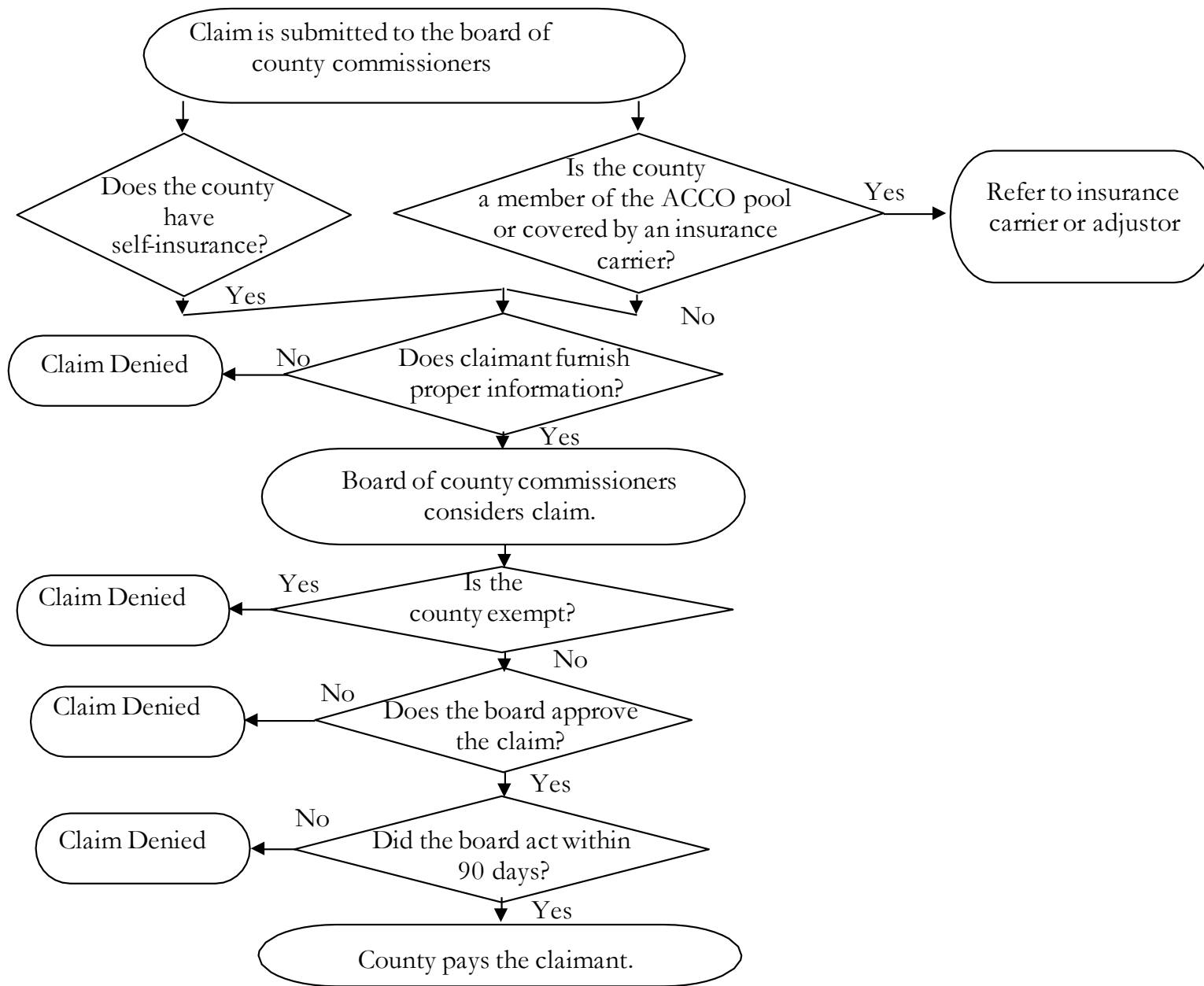


Figure 5-1. The Tort Claim Process

Definitions

The following definitions explain some of the terminology in the act:

- Action - a court proceeding in which one party brings a suit against another party
- Agency - any board, commission, committee, department, or other entity designated to act for the county
- Claim - any written demand presented by a claimant, in accordance with the Governmental Tort Claims Act, to recover money from the county as compensation for an act or omission of the county or its employees that has caused damage to the claimant.
- Claimant - a person or authorized representative who files a claim under this act. Only the following may be claimants and all claims for one occurrence or accident must be aggregated as one claim:
 - Any person holding an interest in real or personal property who suffers a loss
 - The individual actually involved in the accident or occurrence
 - An administrator or personal representative in the case of death
- County - a political subdivision of the state
- Employee - any person authorized to act on behalf of the county whether acting on a temporary or permanent basis, with or without pay, or on a full or part-time basis. Independent contractors or employees of independent contractors while acting in the capacity of an independent contractor are not included.
- Loss - death or injury to the body or rights of a person; damage to real or personal property
- Scope of employment - performance by an employee acting in good faith within the duties of their office or tasks assigned by a competent authority, but not including corruption or fraud

Written Claim Procedures

51 O.S. § 156
51 O.S. § 157

Any person with a claim against the county must file a written claim with the county clerk of the county in which the accident or occurrence happened within one year after the loss. If the person is incapacitated and unable to present the claim, the time is extended up to an additional ninety days. When the claim is for death resulting from the accident or occurrence, the personal representative may present notice within one year after the loss.

Written notice of the claim must state the following information:

- The date, time, and place of the accident or occurrence
- The circumstances of the loss
- The compensation sought for the loss
- The name, address, and phone number of the claimant or the authorized agent

Failure to supply any of this information will not invalidate the claim, however, unless the claimant refuses to furnish it.

Any claims not filed within one year of the loss cannot be submitted. Denial is automatic at the end of one year unless a settlement is reached earlier. No court action can begin until the claim has been denied in part or in full but must begin within 180 days of the claim denial.

Determining Liability

Extent of Liability

The following amounts are the county's total liability for a single accident or occurrence:

51 O.S. § 154

- Twenty-Five Thousand Dollars (\$25,000.00) for any claim, or any claimant with more than one claim for loss of property
- One Hundred Twenty-Five Thousand Dollars (\$125,000.00) for any claim for any other loss

NOTE:

For counties with populations of 300,000 or more, the maximum liability is One Hundred Seventy-Five Thousand Dollars (\$175,000.00).

- One Million Dollars (\$1,000,000.00) for any number of claims

Additional Claims

51 O.S. § 154(C)

The statutes prevent claimants from filing for extra punishment damages. Claimants cannot file a claim or bring action that includes a request for punitive damages (additional payment to act as a punishment to the county or county employee), nor can they file a claim asking for exemplary damages (additional payment or judgment to warn others not to commit similar acts).

Sometimes claimants will file claims that bring action against other parties in addition to the county. In situations where the claim includes the county as one party in a claim against several parties, the statutes provide that the county is only liable for that percentage of total damages that corresponds to its percentage of total negligence.

51 O.S. § 154(G)

Exemptions from Liability

The county is not liable for loss if a claim results from certain actions as described in the statutes. The following situations are a partial list of exempted claim actions that apply to counties:

51 O.S. § 155

- Claims for loss resulting from legislative functions
- Claims for loss resulting from judicial, quasi-judicial, or prosecutorial functions
- Claims for loss resulting from execution or enforcement of a lawful court order
- Claims for loss resulting from adoption, or enforcement of, or failure to adopt or enforce a law
- Claims for loss resulting from performance or the failure to perform an act or service which is at the discretion of the county or its employees
- Claims for loss resulting from civil disobedience, riot, insurrection, or rebellion, or the failure to provide law enforcement or fire protection
- Any claim based on the theory of attractive nuisance
- Claims for loss resulting from snow or ice conditions or temporary or natural conditions on any public way or place due to weather conditions, unless caused by negligence on the part of the county

- Claims for loss resulting from entry upon property where the entry is expressed or implied by law
- Claims for loss resulting from natural conditions of state, county, or other political subdivision property
- Claims for loss resulting from assessment or collection of taxes, special assessments, license or registration fees, or other fees imposed by law
- Claims for loss resulting from licensing powers or functions
- Claims for loss resulting from inspection powers or functions, including failure to make an inspection or making an inadequate inspection of any property, real or personal, to determine whether the property complies with the law or contains a hazard to health or safety
- Any claim covered by any workers' compensation act or any employer's liability act
- Claims for loss resulting from the absence, condition, location, or malfunction of a traffic sign or signal unless it is not corrected by the county within a reasonable time after knowledge of the situation, or has existed long enough that the county should have knowledge

NOTE:

The county is not liable if it initially fails to place a sign or signal if the decision to do so is a discretionary act by the county.

- Claims that are limited or barred by other law
- Claims for loss resulting from misrepresentation, if unintentional
- Claims for loss resulting from an act of omission by an independent contractor or its employees, subcontractors, or suppliers
- Claims for loss resulting from theft by a third person of money in the custody of a county employee unless the employee was negligent or committed a wrongful act or omission
- Claims for loss resulting from interscholastic or other athletic contests sponsored or conducted by or on state or county property

- Claims for loss resulting from participation approved by a local board of education and held within a building or on the grounds of the school district before or after normal school hours or on weekends
- Claims for loss resulting from any court ordered or administratively approved work release program
- Claims for loss resulting from activities of the National Guard, the militia, or other military organization when on duty under the lawful orders of competent authority
- Claims for loss resulting from providing, equipping, operating, or maintaining a prison, jail, or correctional facility, including injuries resulting from parole or escape of a prisoner or by one prisoner to another prisoner
- Claims based on loss from providing, equipping, operating, or maintaining any juvenile detention facility, or injuries that result from a juvenile detainee's escape, or injury by a juvenile detainee to any other juvenile detainee
- Claims based on a manufacturer's product liability or warranty, either expressed or implied
- Claims or actions based on the theory of indemnification or subrogation
- Claims based on an act or omission of an employee in the placement of children
- Claims for loss resulting from acts or omissions done in conformance with current recognized standards
- Claims for loss resulting from maintenance of the state highway system unless the claimant proves negligence
- Claims for loss resulting from any confirmation of the existence or nonexistence of any effective financing statement on file in the Office of the Secretary of State made in good faith by an employee of that office
- Claims for loss resulting from any court-ordered community sentence

Settling Claims

If the county is not exempt from liability, the board of county commissioners must hear the claim and decide whether to award the claimant any damages. If the county participates in a self-insurance program or has coverage through an insurance carrier, the claim should be considered in cooperation with the insurance carrier or adjustor, and the settlement of the claim should be referred to the insurance carrier or adjustor.

51 O.S. § 157

Claim Denial

A claim is considered to be denied by “operation of law” if the county fails to approve the entire claim within ninety (90) days, unless the county denies the claim or reaches a settlement before ninety (90) days.

51 O.S. § 157(B)

If the claim is deemed denied in ninety (90) days or less, the county must notify the claimant within five days of the claim denial.

When claimants’ claims are denied, they have the option to file a lawsuit against the county. Claimants have 180 days after claim denial to take court action.

51 O.S. § 158

Claim Settlement

The county, after conferring with authorized legal counsel, can settle or defend against a claim or suit subject to prescribed procedural requirements. The county can also appropriate money to settle the claim.

19 O.S. § 161

Employee Defense

In all suits or proceedings by or against a county, the name in which a county shall sue or be sued shall be, "Board of County Commissioners of the County of ____, " but this provision shall not prevent county officers, where authorized by law, from suing in their official name for the benefit of the county.

19 O.S. § 4

A suit may be brought against a county by naming a county officer as identified in the Oklahoma Statutes when it is alleged that the officer in their official capacity is directly or vicariously liable to the plaintiff in an action not arising out of contract. Otherwise, a suit may be brought against a county by naming the “Board of County Commissioners of the County of _____; in actions against the board not arising out of contract...” Upon motion, the court may substitute a county officer identified in the Oklahoma Statutes in their official capacity for the board upon showing that the county officer is better suited to represent and defend the county under the particular facts of the case.

Additional amendments further require the county to defend employees when liability is sought for any violation of property rights or any rights, privileges, or immunities secured by the constitution or laws of the United States as long as the employee was acting within the scope of their employment.

51 O.S. § 162
51 O.S. § 163(C)

When a judgment or settlement is entered in any court of the United States, the state of Oklahoma, or any other state for violation of property rights or any rights, privileges, or immunities secured by the constitution or laws of the United States, payment must be made by the county up to the limits set by the law.

County's Right to Recover Monies

51 O.S. § 162(C)

The county has the right to recover from the employee the amount spent by the county in the defense, settlement, or judgment if it is shown that the employee's conduct that caused the action was fraudulent or corrupt or if the employee fails to cooperate in the action.

Settlement and Payment

51 O.S. § 158

The county may, after conferring with authorized legal counsel, either settle the claim or defend against any suit that might be brought. In the event a settlement is reached which exceeds Twenty-Five Thousand Dollars (\$25,000.00) and an applicable contract or insurance policy will not pay the payment required, the settlement must be approved by the district court and entered as a judgment. If the county is covered by a contract or insurance policy, the terms of the contract or policy will govern the rights and obligations of the county concerning investigation, settlement, payment, and defense of the claims or suit. The insurer, however, cannot enter a settlement that exceeds the amount of the insurance without approval of the county.

Payment Limitations

51 O.S. § 162(D)

The county is not responsible, under any circumstances, to pay or indemnify any county employee for any punitive or exemplary damages, nor to pay for any defense, judgment, settlement, costs, or fees that are paid or covered by any applicable policy or contract of insurance.

In any civil rights judgment, the county can only pay or indemnify the percentage of fees and costs in the total award that the percentage of the award of actual damages bears to the total judgment awarded. The county can only indemnify its employees for actual damages, fees, and costs.

WARNING:

County officials should use the information in this chapter as a guide only. Please refer to the Oklahoma Statutes for more detailed explanations. County officers should also consult their district attorney for more details on tort claims and for legal advice and assistance.

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Chapter Six

Office of the County Treasurer

The office of county treasurer in the state of Oklahoma was created in the Oklahoma Constitution and has all of the rights and authorities of a constitutionally established office.

Because of its origin, the office of county treasurer is referred to as a constitutional office rather than a statutory office, and a county treasurer is referred to as a constitutional officer.

Oklahoma Constitution
Article 17 §2

Filing as a Candidate for County Treasurer

To file for the office of county treasurer in an Oklahoma county, candidates must meet the following qualifications:

- Candidates must be registered voters and have maintained their current principal residences in the county in which they are filing for six months immediately preceding the first day of the election filing period.
- Candidates must be members of the political party under which they are filing or be registered to vote as an independent if filing as an independent candidate, for six months immediately preceding the first day of the election filing period.
- Candidates cannot file for any other county office when filing as a candidate for county treasurer in any election. A special election and a regular election held on the same date shall be considered one election.

19 O.S. § 131.1
19 O.S. § 132

26 O.S. § 5-105

26 O.S. § 5-106

NOTE:

A county officer is eligible to become a candidate for another county office or state office without resigning their current position.

19 O.S. § 131(D)

26 O.S. § 5-105a

- Persons cannot file as a candidate for county treasurer for 15 years after the following actions:
 - Receiving a conviction of a misdemeanor involving embezzlement
 - Receiving a conviction of a felony
 - Having entered a plea of guilty or nolo contendere to either of the above
 - Awaiting an appeal of a guilty plea or conviction for either of the above

Candidates must personally sign and file a Declaration of Candidacy (available from the county election board secretary), which contains an oath that they are qualified to be a candidate and to hold office.

26 O.S. § 5-111

All candidates for county treasurer are required to file a notarized statement of financial interests with the county election board subject to the same requirements as set forth by the Ethics Commission under Rules of the Ethics Commission in the Oklahoma Constitution.

19 O.S. § 138.17

Filling the Office of County Treasurer

Term of Office

The county treasurer's term of office is four years and begins on the first Monday in July following the election the preceding November. The county treasurer's term corresponds to the county fiscal year, which is July 1 to June 30.

19 O.S. § 131(B)

However, if the office becomes vacant before the preceding county treasurer's term expires, the newly elected county treasurer should assume office immediately. The following list includes some of the reasons a county treasurer might vacate an office before the term expires.

51 O.S. § 3.1
51 O.S. § 10(B)

51 O.S. § 8

- Death or resignation
- Removal from office or failure to qualify as required by law
- Final judgment against the officer for breach of the official bond

- Change of residency to outside the county
- Conviction of any felony or violation of official oath; providing no appeal is pending and final judgment has not been rendered
- A guilty or nolo contender plea entered in a state or federal court for any felony or violation of the official oath

Conditions of Office

County treasurers must give personal attention to the duties of their office and must abide by the following conditions of office:

- A county treasurer cannot hold another political office in Oklahoma or the United States or serve as a deputy in another political office.
- County treasurers must carry out their duties in a conscientious, appropriate, and professional manner.

WARNING:

According to law , any county officers who willfully fail or refuse to perform the duties of their offices are guilty of a misdemeanor.

Oklahoma Constitution
Article 2 § 11

51 O.S. § 6(A)

21 O.S. § 345
21 O.S. § 347

Vacancies

In Counties with Populations up to 600,000

When the office of county treasurer in counties with populations up to 600,000 becomes vacant for any reason, the board of county commissioners shall appoint an individual to fill the vacancy.

51 O.S. § 10(B)

If a county treasurer vacates the office before the filing period for the next general election, and the current term does not end in the year following that election, the board of county commissioners must call a special election at the time the appointment is made. The dates for the special election shall be the same as the next succeeding filing period, primary election, runoff primary election, or general election for county officers. The appointee can be a candidate in the special election if otherwise qualified.

19 O.S. § 180.65

The first or chief deputy or assistant shall carry on the duties of the office in the event of the death, removal or resignation of the county treasurer, until a successor is appointed or elected.

If a county treasurer vacates the office within thirty days prior to a scheduled general election, no appointment needs to be made.

51 O.S. § 11

In Counties with Populations Above 600,000

If a county treasurer in a county with a population above 600,000 vacates the office, the vacancy shall be filled at a special election to be called by the Oklahoma Governor within thirty days after the vacancy occurs. However, if the vacancy occurs after March 1 of any even-numbered year and if the term of office expires the following year, no special election shall be called. The Governor can appoint an individual to serve in the interim period, and that appointee can be a candidate in the special election.

26 O.S. § 12-111(B)

Resignations

If a county treasurer resigns, a written resignation must be filed with the county clerk. This resignation is effective on the date it is filed with the board unless some other time is specified. All resignations of all county officers must be filed in the county clerk's office, except for county commissioners who file their resignations with the Oklahoma Governor.

51 O.S. § 9(1)(4)

Removal

The removal of a county treasurer or any other county official requires a civil and/or legal process.

22 O.S. §§ 1181 – 1196
51 O.S. § 91

Assuming the Office of County Treasurer

The Oath of Office or Affirmation

Oklahoma law requires that all public officers, before assuming the duties of their offices, must affirm and subscribe to an oath or affirmation similar to the sample oath of office/affirmation shown in Figure 6-1.

Oklahoma Constitution
Article 15 § 1

OATH OF OFFICE/AFFIRMATION

Oklahoma Constitution
Article 15 § 1
Article 15 § 2

“I, _____, do solemnly swear (or affirm) that I will support, obey, and defend the Constitution of the United States, and the Constitution of the State of Oklahoma, and that I will not, knowingly, receive, directly or indirectly, any money or other valuable thing, for the performance or nonperformance of any act or duty pertaining to my office, other than the compensation allowed by law; I further swear (or affirm) that I will faithfully discharge my duties as _____ to the best of my ability.”

(sign here) _____

Subscribed and sworn to before me

this _____ day of _____ A. D., _____.

Notary Public

My commission expires _____

(Seal)

Figure 6-1. Sample Oath of Office/Affirmation for County Officers

The district judge usually administers the oath of office to the county treasurer on the first Monday in July following the election. The signed oath must be filed with the county clerk.

51 O.S. § 36.1
51 O.S. § 36.6

Violating either oath or affirmation can result in a felony conviction and imprisonment and forfeiture of the office or position.

51 O. § 36.2A
51 O. § 36.3

Blank forms are available from the [Oklahoma Secretary of State](#) at no charge.

The Blanket Bond

Upon assuming office, the county treasurer should ensure that the board of county commissioners has purchased a sufficient surety contract, or blanket bond on behalf of the county treasurer and all employees in the county treasurer's office. This bond is like an insurance policy, which protects the county from any misconduct or wrongdoing committed by the county treasurer or any deputies while performing their duties. This bond covers the county up to the insurance limit of the bond and is in force throughout the terms of office. A copy of this bond should be kept on file in the county treasurer's office.

19 O.S. § 167

The typical bond amount for the county treasurer is at least Fifty Thousand Dollars (\$50,000.00). However, the county treasurer or the board of county commissioners can request an additional bond if the financial responsibilities exceed the present bond coverage. The county is responsible for appropriating the funds for this additional bond.

19 O.S. § 622
19 O.S. § 637

If the county treasurer fails to obtain the additional bond as requested by the board of county commissioners within 20 days of the request, the office shall be declared vacant, and another county treasurer will be appointed in accordance with the statutes.

19 O.S. § 638

Serving as County Treasurer

Office Organization

When first organizing the office, a recommended good practice is for the county treasurer to take the following factors into consideration:

- Number of deputies and their abilities
- Funds available for deputies
- County size and office workload
- Type of management structure preferred

A recommended good practice is that a newly elected or appointed county treasurer may find it helpful to take advantage of existing organizational structures and knowledgeable personnel and make changes only as necessary until they become more familiar with the office.

Office Locations

The county treasurer must maintain an office and keep all records at the county seat. The board of county commissioners must provide office space, record storage, and supplies at the county seat for all county offices. They must also provide official seals to all county officers.

19 O.S. § 133
19 O.S. § 447

A county officer can establish an additional office or offices at any location within the county. The additional office can only receive documents for the sole purpose of collecting them and delivering them to the main county seat office. Any document delivered to the additional county office for filing or recording is not considered filed or recorded until it is delivered and recorded at the main county seat office.

19 O.S. § 133

A county employee who is employed at an additional office by one county officer may perform duties on behalf of another county officer if specifically authorized by each county officer on whose behalf the employee is performing duties.

Hours and Holidays

All county offices within each county should be open during the same hours as determined by mutual agreement among the county officials. Office hours must be posted in a prominent place easily seen by the public. The board of county commissioners and members of the county excise board designate county holidays.

19 O.S. § 136
19 O.S. § 350

Office Personnel

First Deputy or Chief Deputy

The county treasurer must designate a first deputy or chief deputy who will fulfill the duties of the office during any absence, or in the event of death, removal from office, or resignation, until a successor is designated.

19 O.S. § 180.65(A)
19 O.S. § 180.65(B)

During periods when the principal officer is absent, the first deputy or chief deputy shall be bonded in the same manner and for the same amount as the principal officer.

19 O.S. § 180.65(B)

NOTE:

The designation of the chief deputy must be approved by the board of county commissioners and entered into the minutes of the regular meeting at which the approval is given.

Deputies

Personnel who report to the county treasurer normally hold the title of deputy county treasurer. In practice, the titles of chief deputy or first deputy, second deputy, and third deputy or deputy assistant are used. These titles generally imply a hierarchy of experience and responsibility.

The numerical rank of any deputies, to be effective, must be designated with the county treasurer's signature and filed with the county clerk.

19 O.S. § 180.65(B)

The county treasurer should have sufficient deputies to adequately perform the necessary duties of the office. If the county treasurer determines that additional deputies are needed based on the office workload, proposals for increases in personnel must be made to the county excise board and the board of county commissioners or the budget board, depending on the county. These boards will consider such requests based on the county budget

19 O.S. § 180.65(E)

19 O.S. § 180.65(D)

and other county officials' needs. The board of county commissioners has the authority to recommend the total amount of funds to be used for the combined salaries in each of the county offices.

Duties and Job Descriptions

A recommended good practice is that written job descriptions be provided for deputies, which might prove helpful in understanding the work of the county treasurer's office. Job descriptions can be expanded in detail and can provide valuable information to new employees, reduce training time, and help reduce errors.

To best serve the customers of the office, a recommended practice is for all employees to know all of the duties of the office of the county treasurer.

Figure 6-2 shows an example of a county treasurer's office organizational chart based on position and job duties. In this example, the first deputy or chief deputy is primarily responsible for supervising accounting and bookkeeping activities.

The second deputy is responsible for collecting and processing tax receipts and for managing the physical office. Third deputies or deputy assistants are responsible for various functions under the first and second deputies.

Employee Requirements, Salaries, and Benefits

Please refer to [Sample 2023 Personnel Policy](#) available from the Association of County Commissioners of Oklahoma (ACCO) and the [Oklahoma Public Employees Retirement System](#) for information on office personnel requirements, nepotism, salaries, and benefits.

COUNTY TREASURER

Investments
Daily Collections
Bank Deposits
Monthly Reports
Tax Sale/Resale

FIRST OR CHIEF DEPUTY

Bookkeeping/Accounting
Act as bookkeeper for all county funds
Serve as school treasurer
Apportion revenues monthly

SECOND DEPUTY

Collections and Office Administration
Bill taxes
Collect taxes,
track foreclosures, and bankruptcies

THIRD DEPUTY or DEPUTY ASSISTANT

Register all warrants and vouchers

THIRD DEPUTY or DEPUTY ASSISTANT

Publish and Prepare Tax Lien
Docket Balance tax roll

THIRD DEPUTY or DEPUTY ASSISTANT

Reconcile all bank statements
Prepare monthly state reports

THIRD DEPUTY or DEPUTY ASSISTANT

Certify Mortgages

THIRD DEPUTY or DEPUTY ASSISTANT

Issue Motor Vehicle Stamps
Issue farm implement stamps

Figure 6-2. Sample Organization Chart for the Office of County Treasurer

Personnel Policies

The board of county commissioners establishes personnel policies for all county employees with the majority vote of all county officers.

Guidelines for timesheets, sick leave, vacation, and special leave documents are included in the [Sample 2023 Personnel Policy](#) from the Association of County Commissioners of Oklahoma (ACCO).

Timesheets

Refer to the [Sample 2023 Personnel Policy](#) available from ACCO for time recording requirements.

A highly recommended practice is that the county treasurer maintains personnel records in the county treasurer's office for all their office employees.

A highly recommended practice is that the county treasurers be aware of any office reports that are required for their office and ensure that they are completed and provided to the proper recipients.

19 O.S. § 447

The County Seal

19 O.S. § 325

The county treasurer shall obtain and keep a seal to be used as the official seal of the county. The board of commissioners shall, at the expense of the county, provide official county seals for the county officers. The county seal, which must be physically implemented by stamping, is sufficient in sealing all cases where sealing is required.

19 O.S. § 339(A)(9)

Inventory Procedures

Upon assuming office, the county treasurer should perform an inventory of all office equipment and make sure that all equipment that is recorded as assigned to that office is present. The inventory should include (but is not limited to) equipment with an original cost of Twenty-Five Hundred Dollars (\$2,500.00) or more. In addition, the inventory should include IT hardware and software having an original cost of Five Hundred Dollars (\$500.00) or more.

19 O.S. § 178.1
19 O.S. § 1502(B)(2)
19 O.S. § 1501

NOTE:

Inventories should be performed whenever a county official changes in preparation for an SA&I exit audit.

Each county officer must file a copy of the inventory in the county clerk's office. The county clerk serves as custodian and repository of all county inventory records, files, and reports.

19 O.S. § 178.3

The county clerk is authorized to destroy all inventory records, files, and reports on file in her office of any county inventory that have been disposed of for three years or more providing that a full audit of the inventory account has been made by the Office of the SA&I.

19 O.S. § 178.3

19 O.S. § 1500

Purchasing Procedures

All county purchasing is centralized in a single office and carried out by a single purchasing agent. The county purchasing agent may be the county clerk or a deputy appointed by the county clerk. The county treasurer should determine who is the county purchasing agent and discuss purchasing procedures with that agent immediately after taking office.

19 O.S. § 1501

The county purchasing agent's job is to purchase goods and services for the county. The purchasing agent finds the most cost-efficient products, places the orders, and makes all purchases paid for with county funds.

19 O.S. § 1501(A.4)

Requesting Officers

Upon assuming office, the county treasurer must assign at least one individual, but not more than two, to be **requesting officers** or individuals who can sign purchasing requisitions during any absence. This information must be filed with the county clerk and entered into the board of county commissioners' minutes.

Receiving Officers

19 O.S. § 1503

The county treasurer should also appoint at least one individual, but not more than two, to serve as **receiving officers**, file their names with the county clerk, and enter their names into the board of county commissioners' minutes.

Receiving officers determine that a valid purchase order exists for items received, that the items are in the condition requested, and then prepare a receiving report. Receiving officers also maintain a record of all supplies, materials, and equipment received, disbursed, stored, and consumed by the department. Normally, one of the receiving officers is designated as the **inventory officer**.

19 O.S. § 1504

NOTE:

Please refer to the *Purchasing Handbook for County Officers* published through the County Training Program at [Oklahoma Cooperative Extension Service](#) and contact the [Office of the State Auditor and Inspector \(SA&I\)](#) for complete details regarding inventory responsibilities and purchasing procedures. Also refer to the following statutes: [19 O.S. §§ 1500-1507](#).

Signature Filings with the Secretary of State

County Officer Signature List

19 O.S. § 257

Upon assuming office, the county treasurer must sign the signature list for elected officials provided by the county clerk. The county clerk notarizes and certifies the list and files it with the Secretary of State.

When any new county treasurer takes office during the year, that officer must notify the county clerk so that the information can be sent to the Secretary of State's office.

Facsimile Signatures

If the county treasurer uses some method of reproducing the signature such as a stamp, engraving, or imprinting device, a facsimile must be filed with the Secretary of State along with the manual signature to authorize use of a facsimile signature upon "public securities."

(A public security is a bond, note, certificate of indebtedness or other obligation for the payment of money issued by this state or by any of the departments, agencies, or other instrumentalities or by any of its political subdivisions or districts).

Authorized officer means any official of this state or of any of its departments, agencies, or other instrumentalities or districts whose signature to a public security, or certificate is required or permitted.

WARNING:

Intent to defraud by use of a facsimile signature or facsimile seal on public securities is a felony.

62 O.S. § 604
21 O.S. § 9

Commission on County Government Personnel Education and Training

The Commission on County Government Personnel Education and Training was established to oversee a professional development program for training Oklahoma county officers, excise board members, candidates for county office, and any other persons through the Cooperative Extension Service at Oklahoma State University.

19 O.S. § 130.1
19.S. § 130.2

County Treasurer Accreditation Program

The County Training Program (CTP) has an accreditation program for county treasurers and deputy county treasurers. The program contains Basic, Advanced I, and Advanced II accreditation. The program is available through CTP (coordinated by the Oklahoma Cooperative Extension Service) at Oklahoma State University. The accreditation program is voluntary and available to county treasurers, their deputies, and their employees.

19 O.S. § 130.7

Accreditations for each level are awarded at the County Treasurers Annual School each spring.

To refer to the accreditation guidelines for county treasurers, please go to the [CTP website](#). The certification/accreditation program is subject to revisions and updates.

Chapter Seven

Duties of the County Treasurer: General

The primary responsibility of the county treasurer is to administer county monies. The county treasurer receives and distributes all county monies as provided by law and maintains an accurate accounting of all county monies received and distributed.

The county treasurer assumes the role of “banker” for the county and might receive money from any or all of the following sources:

- Other county offices
- The state government
- Local residents and businesses
- The federal government

19 O.S. § 625

WARNING:

19 O.S. § 443

The county treasurer and deputy treasurers are accountable to the board of county commissioners for money that belongs to the county. Any county officer who mishandles county funds or does not abide by statutory laws when receiving, depositing, or disbursing county monies can be sued by the board of county commissioners and must forfeit the office and pay a penalty of twenty percent on the amount due to the county.

Table 7-1 contains the primary activities of the county treasurer’s office listed according to the calendar dates when they should be performed, provides a reference to the chapter in this handbook for additional information, and refers to the statutes that cover the required activities.

Receiving and Depositing County Monies

Ad Valorem Taxes

The county treasurer collects all ad valorem taxes for the county and must keep an accurate, current record of all ad valorem taxes received. Please refer to [Chapter Eight, “Duties of the County Treasurer: Collecting Ad Valorem Taxes,”](#) [Chapter Nine, “Duties of the County Treasurer: Collecting Delinquent Personal Property Ad Valorem Taxes,”](#) and [Chapter Ten, “Duties of the County Treasurer: Collecting Delinquent Real Property Ad Valorem Taxes,”](#) in this handbook for information on ad valorem taxes and tax collection procedures.

19 O.S. § 625

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office

Calendar Date	Activity	Handbook Reference	Statute Reference
Daily	Deposit all funds and monies received into one or more approved depositories.	Chapter Seven	19 O.S. § 121
	File a duplicate copy of all daily collections and deposits with the county clerk.	Chapter Seven	19 O.S. § 115 19 O.S. § 116 19 O.S. § 119 19 O.S. § 644.1 19 O.S. § 643
Monthly	Report the monthly ad valorem tax protest amounts to the Oklahoma State Department of Education.	Chapter Eight	70 O.S. § 18-200.1
The second Monday of each month.	Forward to the State Treasurer all monies collected for that office.	Chapter Seven	19 O.S. § 630
The last day of each month	Apportion all funds and monies collected that are subject to apportionment and file an apportionment’s report with the county clerk.	Chapter Seventeen	19 O.S. § 117 68 O.S. §§ 2923-2924
Quarterly			
March, June, September, and December	Prepare Mobile Home Report and file the report with the Oklahoma Tax Commission.	Chapter Eight	68 O.S. § 2812(c)
Yearly			
	Prepare resolutions for the board of county commissioners to authorize investments.	Chapter Sixteen	62 O.S. § 348.1

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office (Continued)

Calendar Date	Activity	Handbook Reference	Statute Reference
July through December			
On or before the first Monday in July (if the board of county commissioners makes the budget), otherwise on or before a date set by the budget board	File estimate of needs/financial report that shows the earnings and the costs of maintaining the office together with an itemized estimated budget for the coming year with the board of county commissioners and the county excise board.	Chapter Three	68 O.S. § 3004 19 O.S. § 1411
July 1	Prepare a list of designated depository banks for approval by the board of county commissioners.	Chapter Seven	19 O.S. § 121
July 1	File a special estimate of needs for expenses for service as school district treasurer.	Chapter Three	70 O.S. § 5-114
July 1 to July 10	Certify delinquent special assessments from the municipal clerk; certify delinquent special assessments from fire protection, sewer improvement, road districts, and hospital districts; and certify delinquent special assessments on the tax roll and collect them as other ad valorem taxes.	Chapter Eleven	11 O.S. § 36-222 19 O.S. § 901.19 19 O.S. § 901.20
Thirty days after the second Monday in June	File a return of tax resale with the county clerk thirty days following the sale.	Chapter Ten	68 O.S. § 3131 68 O.S. § 3137

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office (Continued)

Calendar Date	Activity	Handbook Reference	Statute Reference
June 30	Forward Resale Form 409 to the board of county commissioners	Chapter Ten	68 O.S. § 3137
July Board of County Commissioners Meeting	Submit books, accounts, vouchers and all monies, warrants, or orders remaining in the treasury to the board of county commissioners for audit and review.	Chapter Seven	19 O.S. § 626
Late June or during July	Receive reimbursement from the State Treasurer for double homestead exemptions.	Chapter Seven	62 O.S. § 193
After April 1 but prior to end of September	Publish notice of delinquent taxes and special assessments once each week for two consecutive weeks in a legal publication of general circulation in the county.	Chapter Eight	68 O.S. § 3106
Before October 1	Obtain fire protection district tax rolls by October 1 and collect taxes in same manner as ad valorem Taxes	Chapter Eight	19 O.S. § 901.19 19 O.S. § 901.20
On or Before October 1	Receive from the county assessor the tax rolls and an abstract of the tax rolls. The county assessor also delivers a copy of the abstract to the county clerk.	Chapter Eight	68 O.S. § 2869 68 O.S. 2868
October 1	Deliver personal property tax lien docket to the county tax assessor.	Chapter Nine	68 O.S. 2892(D)(4)

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office (Continued)

Calendar Date	Activity	Handbook Reference	Statute Reference
October	Prepare unclaimed property report and submit it to the Oklahoma Tax Commission before November 1. NOTE: The county treasurer usually reports “none” in the report since funds being held by the office are for a designated purpose for a statutory length of time with a designated disposition identified at the end of that time.		60 O.S. § 661
Before November 1	Mail a statement of ad valorem taxes due to each taxpayer within thirty days after receiving the tax roll from the county assessor.	Chapter Eight	68 O.S. § 2915
November 1	Begin collecting ad valorem tax payments.	Chapter Eight	68 O.S. § 2913
January through June			
First regular meeting of the board of county commissioners	Submit books, accounts, vouchers and all monies, warrants, or orders remaining in the treasury to the board of county commissioners for audit and review.		19 O.S. § 626

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office (Continued)

Calendar Date	Activity	Handbook Reference	Statute Reference
January 1	If at least one-half of the tax bill is not paid [before] January 1, the entire bill becomes delinquent.	Chapter Eight Chapters Nine, Ten	68 O.S. § 2913
January 1 or January 16	Begin to charge interest on delinquent tax bills.	Chapter Eight Chapters Nine, Ten	68 O.S. § 2913 AG Opinion July 30, 1958
By January 31	File required 1099 forms with the IRS.	Chapter Seven	
February 1	Receive land reimbursement check from the State Treasurer.	Chapter Seven	62 O.S. § 194
Before March 31	Mail out second half statements	Chapters Nine, Ten	
April 1	If the last half of the tax bill is not paid before April 1, the tax becomes delinquent.	Chapters Nine, Ten	68 O.S. § 2913
Within 60 days after April 1	Notify delinquent personal property taxpayers by mail within 60 days after April 1, and publish a notice of personal property tax delinquency in a newspaper of general circulation in the county.	Chapter Nine	68 O.S. § 3102

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office (Continued)

Calendar Date	Activity	Handbook Reference	Statute Reference
April 1 or April 16	Begin to charge interest on delinquent tax bills.	Chapter Eight Chapters Nine, Ten	68 O.S. § 2913 AG Opinion July 30, 1958
May 1	Prepare resolutions for school districts authorizing investments.	Chapter Sixteen	62 O.S. § 348.1
Thirty days before the second Monday in June	Notify delinquent real estate property owners as listed on the latest tax rolls that their property is subject to tax resale.	Chapter Ten	68 O.S. § 3127
Recommended well before publication	File affidavits with the county clerk for mortgage holders that cannot be notified prior to resale.	Chapter Ten	68 O.S. § 3127
Four weeks before the second Monday in June and each consecutive week	Publish the first notice of the tax resale in a legal publication of general circulation in the county.	Chapter Ten	68 O.S. § 3127
Second Monday in June	Hold tax resale auction. All real estate for which the county has held a tax lien for two years must be auctioned at a tax resale.	Chapter Ten	68 O.S. § 3125

Table 7-1. Yearly Calendar of Activities for the County Treasurer’s Office (Continued)

Calendar Date	Activity	Handbook Reference	Statute Reference
Prior to June 15	Prepare resale financials and apportionment to present to the board of county commissioners prior to June 15.		68 O.S. 3137 68 O.S. 3137(e)
June 15	Receive reimbursement from the State Treasurer on exempt manufacturing.	Chapter Seven	62 O.S. § 193
Within 30 days of resale	Apportion resale report within thirty days of resale and submit Certificate of Returns of Resale of Real Estate for Delinquent Taxes to the county clerk.	Chapter Ten	68 O.S. § 3137
June 30	Prepare and submit inventory report to the board of county commissioners. Submit resale form (SA&I Form No 409 or its automated equivalent) to the board of county commissioners.	Chapter Seven	19 O.S. § 178.1
Before July 1	Prepare a personal property tax lien docket, which lists taxes still unpaid within 30 days of the publication of the general notice of personal property tax delinquency.	Chapter Nine	68 O.S. § 3103
End of Calendar Year	File the annual collection report on Farm Implement Tax Stamps with the county assessor.	Chapter Eight	68 O.S. § 5404

Mortgage Taxes

The county treasurer collects all real estate mortgage taxes for the county and must keep an accurate, current record of all mortgage taxes received. Please refer to [Chapter Thirteen, “Collecting Real Estate Mortgage Taxes,”](#) in this handbook for information on mortgage taxes and tax collection procedures.

Farm Implement Tax Stamps

The county treasurer sells Farm Implement Tax Stamps, received from the Oklahoma Tax Commission (OTC), for a tax paid in lieu of ad valorem tax on certain parts of the inventories of farm implement dealers. The county treasurer also provides records to the OTC and the county assessor on tax stamp sales. Please refer to [“Farm Implement Tax Stamps”](#) in Chapter Eight, “Collecting Ad Valorem Taxes,” for additional information on selling and reporting Farm Implement Tax Stamps.

68 O.S. § 5401
68 O.S. § 5404

Federal, State, and Local Transfer Payments

All county government receipts from other governmental entities are received, deposited, and apportioned by the county treasurer. Federal receipts include in-lieu taxes for federal property and Federal Emergency Management Agency payments for repair of county roads damaged by floods. State transfers include that portion of state motor vehicle license and registration fees allocated for the county general fund and county road funds. Local transfers include that portion of visual inspection (revaluation) budgets borne by other local taxing jurisdictions.

NOTE:

Most state and federal government agencies now have an electronic transfer deposit procedure whereby funds are electronically deposited directly into the county treasurers’ accounts.

The county treasurer has the responsibility of developing a policy procedure with banks to be notified of such deposits, preferably in writing, and to create a paper trail to properly log deposits and make appropriate bookkeeping entries. The county treasurer will find it helpful to know the tracking number of deposits and to communicate directly with agencies and banks on dates when the deposits are to be made.

SA&I now has [SA&I Form No. 392](#) which is used by the banks to notify the county treasurer of when electronic transfers are received into county bank accounts.

Other Receipts

All receipts other than ad valorem taxes, whether they are transfer payments, fee collections, rental payments, or other receipts, are recorded as miscellaneous receipts or acknowledgements of trust deposit by the county treasurer. Each receipt is deposited daily and apportioned on a monthly basis.

19 O.S. § 643

The county treasurer must provide the county clerk with a duplicate copy or a listing of all receipts for money received by the county treasurer. No receipt, except a tax receipt, is valid unless countersigned by the county clerk.

Deposits

All monies received in the county treasurer's office must be deposited no later than the immediate next banking day into one or more banks designated by the board of county commissioners as county depositories.

The county treasurer makes daily deposits to the official depository account at the bank.

While few offices continue to use hand-written forms for this purpose, [SA&I Form No. 196](#) indicates the information that is required when making these deposits.

The county treasurer makes daily deposits to the general account at the bank. Refer to [SA&I Form No. 197](#) or its automated equivalent.

NOTE:

The county treasurer must provide the county clerk with a duplicate copy of all daily collections and deposits made. Most offices refer to this informally as the “daily packet.”

County Depositories

A county depository may be established in a bank, trust company, credit union, or savings and loan association in the county or within the state.

19 O.S. § 121
62 O.S. § 517.3

[Figure 7-1](#) shows a sample resolution designating county depository banks that the board of county commissioners uses to designate certain financial institutions in the county as

county depository banks. Please note that this resolution should be changed or updated as needed.

19 O.S. § 121

The county treasurer must also ensure that no deposits in any bank exceed the maximum amount that is either insured to Two Hundred Fifty Thousand Dollars (\$250,000.00) by the Federal Deposit Insurance Corporation or fully collateralized by acceptable securities if the deposit exceeds Two Hundred Fifty Thousand Dollars (\$250,000.00). A record of pledged collateral is shown on [SA&I Form No. 341](#) or its automated equivalent.

19 O.S. § 121

19 O.S. § 122

19 O.S. § 123

The county treasurer must also have on file in the county treasurer's office, a FDIC Depository Agreement, [SA&I Form No. 245](#) or its automated equivalent, for each bank that has been designated as a county depository bank.

Official Depository Account

All county officers must deposit all county monies received daily with the county treasurer, who is then responsible for depositing these monies in the Official Depository Account and crediting the account of the officer from whom the money was received.

Change Fund

19 O.S. § 682

Each county office, board, and commission are allowed to keep no more than One Thousand Five Hundred Dollars (\$1,500.00) on hand in their office to be used for a change fund.

Investments

62 O.S. § 348.3

Whenever the county treasurer has collected monies not needed to meet current obligations, these monies should be invested in an authorized, prudent investment program until they are needed. Please refer to [Chapter Sixteen, "Duties of the County Treasurer: Investing County Monies,"](#) in this handbook for information on investing county monies.

RESOLUTION # 2019-12
COUNTY DEPOSITORY BANKS

STATE OF OKLAHOMA, COUNTY OF CLEVELAND, SS.

We, the undersigned board of county commissioners, of the above mentioned County and State, being in lawful session assembled in their office at the County Seat on the date hereinafter inscribed, pursuant to laws now in effect relating to County Depositories, do hereby designate the following Banks as County Depositories, to wit:

NAME OF BANK	ADDRESS		
State Treasurer of Oklahoma	Oklahoma City, OK	Arvest Bank	Stillwater, OK
Bank NA The	Stillwater, OK	Bank One Trust Co. N.A.	Oklahoma City, OK
Bank of Oklahoma	Tulsa, OK/Oklahoma City, OK	Bank of Cushing	Cushing, OK
First National Bank & Trust	Stillwater, OK	First National Bank & Trust	Morrison, OK
Exchange Bank	Stillwater, OK	Payne County Bank	Perkins, OK
Stroud National Bank	Perkins, OK	First Oklahoma State Bank	Glencoe, Oklahoma
American Heritage Bank	Yale, OK	Tinker Federal Credit Union	Stillwater, OK
The Bank, N.A. Stillwater	Stillwater, OK	BancFirst	Stillwater, OK
Liberty Federal Savings & Loan	Stillwater, OK	RCB Bank	Stillwater, OK
RCB Bank	Cushing, OK	Mid First Bank	Stillwater, OK
University & Community Federal Credit Union	Stillwater, OK	IBC Bank	Stillwater, OK
Patriot Bank	Tulsa, OK	Security Bank	Tulsa, OK
First National Bank of Vinita	Vinita, OK		

The safe in the County Treasurer’s Office is designated as a secure receptacle for temporary safekeeping of all County Investment Funds.

It is further provided that, regardless of the above designation, no deposit of public money shall every be made in any or either of said banks in excess of Federal Deposit Insurance or Federal Savings and Loan Insurance currently effective, unless and until adequate securities are pledged in the manner provided by law.

It is further stated that neither of the members of the Board of County Commissioners nor Carla J. Manning, County Treasurer, owns stock or is otherwise particularly interested in any of said banks.

Done at Stillwater, Oklahoma this 6th day of July.2019.

PAYNE BOARD OF COUNTY COMMISSIONERS

Chris Reding, Chairman

Zach Cavett, Vice- Chairman

Rocky Blasier, Member

COUNTY CLERK
(SEAL)

Figure 7-1. Sample Resolution Designating County Depository Banks

Issuing Receipts for Monies Received

When county treasurers receive county taxes and other monies, they must issue a receipt, at least in triplicate. One copy of the receipt is given to the payer and one copy to the county clerk. One copy is retained and filed in the county treasurer's office.

68 O.S. § 2914

Disbursing County Monies

County monies already appropriated for specific items can only be disbursed on county warrants. Other monies that are not appropriated are disbursed on vouchers drawn against the county treasurer's office. The county treasurer must keep an accurate record of all funds disbursed that shows the following information:

19 O.S. § 625
19 O.S. § 691

- Date
- Recipient of the monies
- Account from which the monies are drawn
- Fund from which the monies are drawn
- Purpose of the disbursement

When any monies have been collected through error, the county treasurer issues a cash voucher claim to the county clerk who then issues a refund voucher. All monies collected in error can only be refunded based on the voucher prepared by the county clerk. Refer to [Chapter Fifteen, "Disbursing Appropriated Funds,"](#) in this handbook for additional information on disbursements.

19 O.S. § 691

Collecting Fees

Table 7-2 shows the fees the county treasurer should collect for various activities performed in that office. Other fees and charges may also be collected such as publication fees, county treasurer's costs for resale, and share of service charges, which may vary between counties.

A listing of all fees collected in the county treasurer's office must be on display in a conspicuous place in the office. Failure to post the fees results in a \$5.00 per day penalty.

28 O.S. § 7

The county treasurer must keep an account of all fees showing the following information:

28 O.S. § 7
28 O.S. § 44

- The amount charged
- The amount received
- From whom the fee payment was received
- For what purpose the fee was paid
- The date

The account of fees must be totaled each month showing the amount earned, the amount received, and the amount unpaid.

Issuing IRS 1099 Forms

The Internal Revenue Service (IRS) requires that county treasurers issue 1099 forms for the following interest payments:

- Interest of Six Hundred Dollars (\$600.00) or more that is earned on protested taxes held in escrow when the taxpayer is entitled to a refund. Refer to [Chapter Twelve, "Duties of the County Treasurer: Collecting Protest Taxes."](#)

Table 7-2. Schedule of County Treasurer's Office Fees

Activity	Fee	Statute Reference
Issuing warrants to collect delinquent taxes on personal property	\$10.00 per warrant	28 O.S. § 43
Certificates of Redemption	\$5.00 per certificate	28 O.S. § 43
Assignment of Individually held certificates	\$15.00 per certificate	28 O.S. § 43
Preparing Tax Deeds, first tract, including acknowledgment	\$10.00 per deed \$0.00 per additional tract in the same deed	28 O.S. § 43
Preparing Personal Property Tax Lien Docket	\$5.00 per entry	68 O.S. § 3103
Collecting Mortgage Certification Fees	\$5.00 per mortgage	68 O.S. § 1904(b)
Collecting Municipal Clearing and Mowing Assessments	\$5.00 per parcel	11 O.S. § 22-111
Collecting Municipal Condemnation of Building Assessments, Dismantle and Removal, and Boarding and Securing	\$5.00 per parcel	11 O.S. § 22-112 11 O.S. § 22-112.1
Sending Mailings	\$5.00 plus postage	68 O.S. § 3106
Collecting paving, sewer, and demolition (public nuisance abatement) payments	\$5.00	11 O.S. § 36-222 11 O.S. § 37-227
Insufficient Fund Check	\$35.00	19 O.S. § 682

- Interest of Six Hundred Dollars (\$600.00) or more that is earned on money refunded after a tax lien sale. Refer to [Chapter Thirteen, “Duties of the County Treasurer: Issuing Refunds.”](#)
- Interest of Six Hundred Dollars (\$600.00) or more that is earned on monies collected for the payment of a judgment that is levied on the ad valorem tax rolls, or monies deposited with the county treasurer as part of a judgment proceeding administered by the district court

19 O.S. §119
 19 O.S. § 644.1
 19 O.S. § 643

Filing Reports

Daily Reports

The county treasurer is required to file a report daily with the county clerk. This report shows the collections and deposits and disbursements made on that day and includes all of the duplicate receipts, certificates, deposit slips, and original paid and cancelled warrants or vouchers with duplicate checks issued. Many offices refer informally to this as the “daily packet.”

Treasurer’s Monthly Report

The county treasurer is required to file the Monthly Report of County Treasurer with the Office of the SA&I. This report summarizes all collections, the general ledger, and all fund activity, and also shows bank reconcilements. A copy of this report is provided to the county clerk as secretary to the board of county commissioners.

Monthly Report of Officers

The county treasurer is required to file the Monthly Report of Officers, [SA&I Form No. 140](#) or its automated equivalent, with the board of county commissioners.

Monthly Apportionment Reports

The county treasurer is required to file the County Treasurer’s Monthly Apportionment Report with the county clerk. This report shows how county monies are to be apportioned for the month.

19 O.S. § 117
 68 O.S. § 2923
 68 O.S. § 2924

Biannual Reports

At the January and July meetings of the board of county commissioners, the county treasurer is required to submit the books, accounts, and vouchers of the county treasurer, and all monies, warrants, or orders remaining in the treasury for inspection and audit.

19 O.S. § 626

Serving as Treasurer of Cities and Towns

A county treasurer, in addition to serving as county treasurer, may be designated, by ordinance, to serve as the treasurer of any incorporated city or town within the county with a population of 5,000 or less. The county treasurer then exercises all of the powers and performs all of the duties of the city or town treasurer without additional compensation. The county treasurer blanket bond also covers all monies and securities that belong to the city or town.

19 O.S. § 645

Serving as Treasurer of School Districts

A county treasurer may also be asked to serve as the treasurer of all of the school districts in the county and may charge a fee to these districts for the cost of these services.

70 O.S. § 5-114

The county treasurer who is functioning as a school district treasurer keeps a record of warrants issued, deposits received, and a current balance in each school fund on [SA&I Form No. 2064](#) or its automated equivalent.

When warrants are delivered by the school to the county treasurer to be registered, they should be accompanied by [SA&I Form No. 356](#) or its automated equivalent.

The board of education of a school district may, however, appoint a local treasurer and assistant treasurer, which would relieve the county treasurer from serving as treasurer for that school district.

Obtaining Legal Advice

The District Attorney

The district attorney is the authorized legal counsel for all county offices. The district attorneys or their assistants shall give opinion and advice to the board of county commissioners and other civil officers of the counties, when requested, on all matters in which any of the counties of the district are interested, or relating to the duties of such boards or officers in which the state or counties may have an interest.

19 O.S. § 215.5

When seeking legal opinions or advice about the official business of their offices, county commissioners should request assistance from their district attorney (or an assistant).

The district attorney also represents county commissioners in court for any civil actions brought against them in their official capacity as county commissioners.

19 O.S. § 215.4
19 O.S. § 215.25

To save time and prevent misunderstandings, the county commissioner should present questions in writing to the district attorney's office and keep written records of all responses and communications. The county commissioner should be sure that their understanding of the opinions agrees with the district attorney's intended interpretation.

Bills, Laws, and Regulations as Legal References

A strongly recommended good practice is that the county treasurer should also seek legal advice from their district attorney's office for proper interpretation of the Oklahoma Statutes, Oklahoma Session Laws, and other regulations.

Employing General Counsel

Civil and Criminal Cases in Which the County is Interested or is a Party

19 O.S. § 215.37M(A)(B)

The following conditions apply to employing general counsel in civil and criminal cases:

- If the district attorney and the board of county commissioners of the county agree, legal representation in any civil case in which the county is interested or is a party or in which a county officer or employee acting in good faith in the course of their employment is a

named defendant and the district attorney is required to represent the county, may be provided by contract with a private attorney. The costs of this contract shall be paid by the board of county commissioners out of its account for general government operation, or other accounts, as may be appropriate.

- If the district attorney and the board of county commissioners of the county agree, prosecution of any criminal matter may be provided by contact with an attorney, not employed by the office of the district attorney, who shall be designated as a special assistant district attorney, if the case load of the office of the district attorney is such that adequate representation of the interest of the state is not possible without appointment of one or more special assistant district attorneys. The special assistant district attorney shall be appointed by the district attorney. The special assistant district attorney may serve with or without compensation, with compensation subject to restrictions in the Oklahoma Statutes.

19 O.S. § 215.37M(C)

County Treasurers' Authority to Employ General Counsel

The county treasurers also have the authority to employ a general counsel, either in-house as a staff attorney or through an outside law firm, to advise or represent them and their offices in the performance of the official duties of their offices.

19 O.S. § 527(A)

The board of county commissioners shall approve all contracts for outside counsel. A general counsel shall be compensated from the funds of the employing county treasurer's office.

For more information about employing general counsel, refer to "Obtaining Legal Advice" in Chapter 7 of the *Handbook for County Commissioners of Oklahoma*.

Holding Open Meetings

In 1977, Oklahoma passed the Open Meeting Law, which prohibits the members of any public body (including county officers) to meet informally to decide a course of action or vote on any matter, even by telephone or other electronic means. All meetings must be held at specified times and places that are convenient to the public and must be open to the public. All meetings must be publicized by advance notice and specify the time, place, and subject matter to be considered.

25 O.S. §§ 301-313

WARNING:

Any violation of the Open Meeting Law is a misdemeanor, punishable by a fine or imprisonment.

25 O.S. § 314

Keeping County Records

Open Records Act

According to the Oklahoma Open Records Act, all county officials, including the county treasurer, must keep public records “open for public inspection (and copying and/or mechanical reproduction) for proper purposes, at proper times and in a proper manner during all business hours of the day.”

51 O.S §§ 24A.1-24A.20

The Oklahoma Statutes state that the people of Oklahoma have an inherent right to know and be fully informed about their government at any level. The Oklahoma Open Records Act ensures and facilitates the people’s right to access and review government records so that they may exercise this right.

Certain records may not be subject to open search by the public because of confidential privacy created by Oklahoma and federal statutes. Care must be taken when refusing permission for public review of any public record. For protection, the county treasurer should obtain a written statement from the district attorney or the Office of the State Auditor and Inspector that states that public review of a particular public record is not authorized. This action protects the county treasurer from a possible act of commission or omission which might cause removal from office.

A public record includes, but is not limited to, any document, book, paper, photograph, microfilm, computer tape, disk, and record, sound recording, film recording, video record, or other material regardless of physical form or characteristic, which is in the custody, control, or possession of the county treasurer.

51 O.S. §24A.17

WARNING:

Any violation of the Oklahoma Open Records Act is a misdemeanor, punishable by a fine or imprisonment and, if convicted, removal from office. Also, any person who is denied access to a public record can file a civil suit.

Record Destruction

The county treasurer has a specific duty to keep and maintain complete records of the receipt and disbursement of county funds as provided by law. No county records can be destroyed or discarded except as provided by law.

19 O.S. § 155.4

Storage Requirements

The following workbooks, reports, and records must be stored for at least seven years before being destroyed:

19 O.S. § 155.4(1)

- Mortgage Tax Records
- Personal Tax Warrant Records
- Personal Tax Lien Docket

The following records must be filed for at least seven years after final settlement before being destroyed:

19 O.S. § 155.4(2)

- All tax protest records
- Municipal Bond and Judgment Records

The following items must be stored for at least seven years. In addition, the Office of the State Auditor and Inspector (SA&I) must have completed an audit and no longer requires that the items be returned:

19 O.S. § 155.4(4)

- All records pertaining to school districts
- All bookkeeping records
- All instruments pertaining to apportionment and distribution of monies
- Warrant registers
- Miscellaneous income and distribution receipts and records
- Bank statements, deposit tickets, FDIC documents, depository records, reports, checks, purchase orders, and other bookkeeping records

The following items must be stored for at least ten years before being destroyed:

19 O.S. § 155.4(3)

- All tax rolls and tax roll adjustments
- All special assessment rolls
- All tax sale and resale records
- Real Property, Personal Property, Special Assessments and Emergency or Back Tax Receipts

Penalties

21 O.S. § 461

Any county officer who steals, willfully destroys, mutilates, alters, falsifies, or unlawfully removes or hides any public record, can be charged with a felony offense and, if convicted, forfeit his or her office and serve up to five years in prison.

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Chapter Eight

Duties of the County Treasurer: Collecting Ad Valorem Taxes

Understanding Ad Valorem Taxes

One of the county treasurer's major responsibilities is to maintain the county ad valorem tax rolls and collect the associated taxes.

Ad valorem taxes are determined according to two criteria:

1. The value of real, personal, and public service property
2. The local mill levies

Ad valorem is a Latin phrase that means "according to value." The Oklahoma Constitution uses the terms property tax and ad valorem tax to mean the same thing.

The Constitution authorizes the collection of all property taxes, in which the tax rate is given in number of mills rather than dollar amounts and is levied as a percentage of the taxable fair cash value of real and personal property.

Land and buildings are examples of real property. Personal property includes items such as household property, business equipment, inventory, and improvements on leased property.

68 O.S. § 2802
68 O.S. § 2806
68 O.S. § 2808

NOTE

Oklahoma Statutes in Title 68, sections 2802, 2806, and 2808 contain definitions of terminology associated with ad valorem taxes in Oklahoma.

Purpose of Ad Valorem Taxes

Ad valorem taxation generates revenues to support public goods and services provided by local governmental units.

County Ad Valorem Taxes

County-wide ad valorem taxes finance the operations and services of county government.

School District Ad Valorem Taxes

Several ad valorem tax levies generate revenues for a common school district's operating budget and for capital improvements. A common school district is the local school district that is classified either as a dependent (elementary) school district or an independent school district.

- A dependent or elementary school district offers pre-school through eighth grade.
- An independent school district offers pre-school through twelfth grade.
- Vocational technical school districts also operate with ad valorem tax revenues.

70 O.S. § 5-103

70 O.S. § 5-102

Emergency Medical Service District Ad Valorem Taxes

Another local entity that operates with ad valorem tax revenues is the emergency medical service district.

NOTE:

Please refer to [OSU Extension Fact Sheet AGE-795](#) for a detailed discussion of all Oklahoma property tax levies and to the *Handbook for County Assessors of Oklahoma*.

Creating Ad Valorem Tax Rolls

Appraisals

The county assessor appraises all property within the county except public service property. All property must be appraised at its “fair cash value.”

68 O.S. § 2817

Assessment Process

Based on the appraisals, the property is assessed at a percentage of value based on the local assessment ratio (in the range of 11% to 13.5% for real property and 10% to 15% for personal property). The county assessor prepares the assessment rolls by multiplying the fair cash value by the assessment ratio to produce the assessed values.

Oklahoma Constitution
Article 10 § 8

68 O.S. § 2876

68 O.S. § 2881

Property Owner Protests

Property owners are informed of any increase in assessed property values and may file protests first, with the county assessor, then if dissatisfied with the county assessor’s decision, with the county board of equalization. Public service property owners may file protests about increased assessments with the State Board of Equalization.

68 O.S. § 2880.1

Board of Equalization Decision Appeals

Both the taxpayer and the county assessor can appeal equalization board decisions to the district court.

Please refer to [Chapter Twelve, “Duties of the County Treasurer: Collecting Protest Taxes,”](#) for detailed information on collecting protest taxes.

68 O.S. § 2867

Certification of Tax Rolls

Based on equalization board decisions and court orders, adjustments are made to the county assessment rolls, and the county assessor sends an abstract to the Oklahoma Tax Commission and finally to the State Board of Equalization for review and certification.

When the State Board of Equalization certifies property valuations, the county assessor compiles an abstract of assessment, organized by taxing jurisdictions, which shows separate valuations of real, personal, and public service property and sends it to the county excise board.

68 O.S. § 2867

Tax Levy Determination

The county excise board reviews the abstract and determines the tax levies which may include the following levies:

68 O.S. § 3014
68 O.S. § 3023

- An amount to retire any debt
- Levies allowable by the Oklahoma Constitution and the Oklahoma Statutes
- Levies approved by a vote of the people in each taxing jurisdiction

All levies are subject to protest or complaint.

The following information explains mill levies.

Tax levies are normally expressed as mills per dollar of assessed value. A mill is a tenth of a cent.

One mill = \$1.00 tax per \$1000 valuation or \$0.001 (one-tenth of a cent per dollar of assessed value)

Example: If a taxing jurisdiction such as a school district has a levy of 87 mills and a taxpayer has an assessed value of \$10,000, the tax would be computed as follows:

$\$0.001 \times 87 = \0.087 (tax per dollar of assessed value)

Tax = $\$0.087 \times \$10,000 = \$870.00$

(tax/dollar) (assessment) (tax)

County Tax Roll Preparation

68 O.S. § 2868
68 O.S. § 2869

When the county assessor receives the certified levies, they are applied to the assessed valuations on the assessment rolls, without regard to any protest filed, to arrive at the tax on each property. The county assessor then prepares the county tax rolls.

Receipt of Tax Rolls by the County Treasurer

The county assessor forwards the real estate and personal property tax rolls with a tax roll warrant to the county treasurer.

68 O.S. § 2869
68 O.S. § 2871

The county assessor also sends an abstract of the county tax rolls to the county treasurer and the county clerk. The county treasurer accepts the tax rolls and provides the county assessor with a receipt. The county clerk instructs the county treasurer to collect the total amount on the tax roll abstract.

Making Changes to the County Tax Rolls

Once the tax rolls are certified to the county treasurer, only the county treasurer's office can make changes to the rolls. Changes are to be made only after receiving a proper certificate authorized by law or a court order.

68 O.S. § 2871

Board of Tax Roll Corrections

The board of tax roll corrections includes the following individuals:

68 O.S. § 2871

- Chairman: The chairman of the board of county commissioners
- Vice Chairman: The chairman of the county board of equalization
- The county assessor
- Secretary: The county clerk who is a nonvoting member

The board of tax roll corrections is authorized to hear allegations of errors, mistakes, or differences regarding items on the tax rolls. Normally, these errors or mistakes are discovered by the taxpayer, the county treasurer, or the county assessor and are corrected by submitting a complaint of erroneous assessment and order of correction on [SA&I Form No. 348](#) (or its automated equivalent) to the board of tax roll corrections.

Certificate of Error

68 O.S. § 2871

If the board of tax roll corrections approves a tax roll change that increases the tax amount, the county clerk issues a Certificate of Error, [SA&I Form No. 348](#) (side 1) or its automated equivalent, to the county assessor. This certificate requests certification of the increase to the county treasurer for entry on the tax rolls.

If the board of tax roll corrections approves a tax roll change that does not increase the tax amount and the tax has not been paid, the county clerk issues a Certificate of Error, [SA&I Form No. 348](#) (side 2) or its automated equivalent, to the county treasurer. The county treasurer enters the correction on the tax rolls, noting the certification type and number. If the certification decreases the tax amount, the county treasurer enters a “credit, in lieu of cash” on the tax rolls for the amount of the decrease. The county treasurer must compile all corrections to satisfy SA&I audit requirements. The county clerk, secretary of the board of tax roll corrections, shall prepare a letter order of dismissal or denial which shall be mailed to the taxpayer or person at the address found on the complaint.

Appeals

Both the taxpayer and the county assessor have the right to appeal the board of tax roll corrections’ decisions to the district court.

68 O.S. § 2871

Clerical Errors

The county assessor can correct any errors that are clearly clerical in nature by issuing a county assessor’s Certificate of Clerical Error on [SA&I Form No. 368](#) or its automated equivalent to the county treasurer with a copy to the county clerk. The county assessor also keeps a file copy. The county treasurer makes the necessary changes to the tax rolls and enters the certificate type and number.

68 O.S. § 2874

Clerical errors are usually defined to be those errors that do not affect taxes due. These errors include name changes, legal description changes, and address changes.

Omitted Property

Any property that has been omitted from assessment of any prior year(s) and was not properly taxed is entered on the assessment and tax roll for the year(s) omitted. The omitted

68 O.S. § 2844

property may be taxed for the last fifteen years for real property and for the last three years for personal property.

The county assessor prepares a Certificate of Omitted Property on [SA&I Form No. 1231](#) or its automated equivalent and sends it to the county treasurer with a copy to the county clerk. The county treasurer makes the corrections to the tax roll and enters the certificate type and number. These corrections must be compiled for SA&I audit purposes.

Court Orders

When the county treasurer receives an order from a court that results in a change to the tax rolls, the county treasurer makes the correction and enters the amount opposite the property described in the court order, the case number, and the court order date. These changes must also be compiled for SA&I audit purposes.

Collecting Ad Valorem Taxes

Upon receiving the tax roll, the county treasurer must collect the taxes listed on the roll.

Tax Statements

The county treasurer prepares the tax statements ([SA&I Form No. 229](#) or its automated equivalent) in the same manner and form as the tax roll and totals and balances the statements against the tax roll. Many counties use a four-part copy form. The fourth copy is printed as the tax statement and the remaining original and first and second copies are printed as receipts. (See “[Receipts](#)” in this chapter.)

Within 30 days after receiving the tax roll, the county treasurer must mail each taxpayer, at the taxpayer’s last known address, the following information:

- A statement that lists separately the amount of all ad valorem taxes assessed against the taxpayer’s real and personal property for the current year and all delinquent taxes that remain unpaid for previous years
- An explanation of how the ad valorem tax bill is calculated
- An explanation of how the ad valorem taxes are apportioned between the county, school district, or other jurisdiction levying ad valorem taxes

68 O.S. § 2914

68 O.S. § 2915

After receiving the tax roll, the county treasurer should refer to the previous year’s personal property tax lien docket and the listing of delinquent taxes and ensure that the unpaid delinquent taxes are included on the current tax roll. Refer to [Chapter Nine, “Duties of the County Treasurer: Collecting Delinquent Personal Property Ad Valorem Taxes”](#) and [Chapter Ten, “Duties of the County Treasurer: Collecting Delinquent Real Property Ad Valorem Taxes.”](#)

Non-receipt of a tax statement from the county treasurer does not exempt any person who is subject to taxation from paying taxes.

Tax Payments

Taxpayers may pay taxes in person or by mail with currency, a check, bank draft, or money order. At the option of the county treasurer, taxpayers can also use a nationally recognized credit or debit card that is approved by the Oklahoma Tax Commission. County treasurers can enter into a contract for credit card processing or an agreement with the State Treasurer to use agreements the state of Oklahoma has in effect with credit card companies.

68 O.S § 2916

Taxes are either classified as current or delinquent depending on when they are paid. Refer to [Chapter Nine, “Duties of the County Treasurer: Collecting Delinquent Personal Property Ad Valorem Taxes”](#) and [Chapter Ten, “Duties of the County Treasurer: Collecting Delinquent Real Property Ad Valorem Taxes,”](#) for information on collecting delinquent taxes.

Ad valorem taxes are due and payable on November 1 of each year. One-half of the tax bill must be paid before January 1, and the second half must be paid before April 1. However, if at least one-half of the tax bill is not paid before January 1, the entire tax bill becomes delinquent. If the second half of the tax bill is not paid before April 1, the unpaid amount becomes delinquent.

68 O.S. § 2913

NOTE:

The first half of a tax payment is not delinquent until thirty days after the tax roll has been completed and filed by the county tax assessor with the county treasurer.

NOTE:

If the total tax bill is \$25.00 or less, the entire tax bill must be paid before January 1, or it becomes delinquent.

68 O.S. § 2913(C)

Payments must be made in no more than two equal installments. All delinquent taxes will accumulate one and one-half percent interest per month (or major fraction of a month) until they are paid. The interest will never exceed the unpaid principle of the tax.

The interest collected on delinquent tax is apportioned monthly to the Resale Property Fund. An annual report of collections and proposed disbursements out of the Resale Property Fund is shown on [SA&I Form No. 409](#) or its automated equivalent.

Mortgage servicers **must** pay the tax bills for all accounts they are servicing in one annual payment before January 1, or the entire tax levy becomes delinquent.

68 O.S. § 2913

The county treasurer must stamp the date of receipt on every letter that contains funds for tax payments. No interest is added or charged after the county treasurer receives the tax payment.

Receipts

A receipt must be issued for all tax payments. [SA&I Form No. 229](#) (or its automated equivalent) is the tax receipt form prescribed by the State Auditor and Inspector. The county treasurer must ensure that a permanent record of all payments, whether in printed form or in computerized storage form, is retained.

A record of collections in each school district is also recorded on [SA&I Form No. 2351](#) (or its automated equivalent).

All tax receipts issued by the county treasurer must be numbered consecutively; starting with the number one on the first receipt issued each tax year. A receipt should include only tax payments for one particular year. A separate and distinct series of numbers and receipts must be maintained for taxes paid for each tax year.

68 O.S. § 2914
68 O.S. § 2917
68 O.S. § 2918

Manual Receipts

For non-computerized manual receipts, some counties use a four-part form. The parts are distributed in the following manner:

- The fourth copy is printed as a tax statement and mailed to the taxpayer.
- The county treasurer retains the remaining original and the second and third copies.
- When the taxes are paid, the original is given to the taxpayer as an official receipt; one copy is included as part of the county treasurer's daily report to the county clerk; and the remaining copy is filed in the county treasurer's office.

Computerized Receipts

With computerization, most county treasurer offices, with the approval of the Office of the SA&I, have developed other methods of meeting the record-keeping requirements of the law. Most offices now maintain all payment records on computer files with a periodic printing (daily, weekly, and monthly) of transactions.

Many offices print a receipt that is kept in bound books. Other offices maintain a receipt file in the computer that allows a receipt to be printed on demand.

Daily Report to County Clerk

The law also requires that a copy of all ad valorem tax receipts be filed as part of the county treasurer's daily report to the county clerk. County treasurers can fulfill this requirement, under the guidance of the Office of the SA&I, by filing either an actual printed copy of the receipt, or a computerized listing of receipts issued each day that includes proper numbering and other information required by law.

19 O.S. § 644.1

Tax Roll Entry

When any taxes are paid, the county treasurer must enter in the computerized tax roll, or write in a manual tax roll, the following information beside the description of the property against which the tax was levied:

68 O.S. § 2919

- The word "Paid"
- The payment date
- The name of the person or entity paying the tax

Protested Tax

Any taxpayer has the right to protest a decision that affects the value or taxable status of property. In order to file a protest, the taxpayer must pay the full amount of the taxes assessed by the date provided by law. A taxpayer who is paying taxes under protest must advise the county treasurer by December 31 or when the taxes are paid, whichever is earlier, that an appeal is pending and that a specified portion of the tax amount is being paid under protest. The taxpayer must also attach a copy of the petition filed in the court in which the appeal was made. Until the appeal is settled, the county treasurer must hold the amount specified in the protest separate from other collected taxes, that is, keep them in an escrow account or fund.

68 O.S. § 2884

68 O.S. § 2886

If these funds are to be invested, and the amount is over Fifteen Thousand Dollars (\$15,000.00), the taxpayer can choose the type of investment and where the protested funds will be invested, within the limits prescribed by law. Refer to [Chapter Sixteen, “Duties of the County Treasurer: Investing and Safe Keeping of County Monies.”](#)

68 O.S. § 2884(C)

Please refer to [Chapter Twelve, “Duties of the County Treasurer: Collecting Protested Taxes”](#) for detailed information on protest taxes. OTC Form No. 990-R-98 or SA&I Form No. 399 is used to protest taxes.

Understanding Special Cases

Manufactured Homes

Ad Valorem Tax Assessment and Tax Rolls

On January 1 of each year, the county assessor is required to assess and tax manufactured homes located in the county that are not currently covered by the initial year registration or new manufactured home registration.

68 O.S. § 2813

68 O.S. § 2811

OTC Rules 710:10-9-1, 710:10-9-12

- **Manufactured Homes Listed as Real Property**

Manufactured homes that have escaped taxation should be listed as omitted property not to exceed three years.

68 O.S. § 2812

68 O.S. § 2813

OTC Rules 710:10-9-8, 710:10-9-9

710:10-9-10

Manufactured homes located on land owned by the owner of the manufactured home shall be listed as real property. The manufactured home, however, shall be listed separately from other improvements and the land itself. The person owning and residing in the manufactured home may apply for homestead exemption.

- **Manufactured Homes Listed as Personal Property**

Manufactured homes that are located on land not owned by the owner of the manufactured home shall be listed and assessed as personal property.

68 O.S. § 2812(B)

OTC Rule 710:10-9-11

68 O.S. § 2949

The person owning the manufactured home may apply for a personal property exemption if that person is 62 years or older and if the household income does not exceed the greater of Twenty-Two Thousand Dollars (\$22,000.00) a year or 50% of the county’s median income.

68 O.S. § 2884(C)

NOTE:

One way to ensure an accurate listing and identification of manufactured homes is to include the Vehicle Identification Number (VIN) on all documentation describing the vehicle.

New Manufactured Homes

The purchaser of a new manufactured home must properly register it through the Oklahoma Tax Commission or motor license agent (tag agent) as prescribed in the Oklahoma Statutes. Such manufactured homes are not subject to ad valorem taxes until January 1 of the following year.

47 O.S. § 1113
OTC Rules 710:10-9-1, 710:10-9-14

Payment of Ad Valorem Tax on Manufactured Homes

Ad valorem taxes on manufactured homes are paid in the same manner as other ad valorem taxes and at the same time. When all ad valorem taxes are paid, the county treasurer provides the taxpayer with a receipt for taxes paid and a decal to be affixed to the license plate received during the initial registration of the manufactured home. The county treasurer should not issue the decal when half the taxes are paid because the decal is an indication that all tax liability has been satisfied.

68 O.S. § 2813
OTC Rule 710:10-9-2
47 O.S. § 1110

WARNING:

The Oklahoma Legislature in 1997 (and again in 1998, 2002, and 2013) amended laws regarding payment of manufactured home taxes. A highly recommended good practice is for the county treasurer to always refer to guidelines published by the Oklahoma Tax Commission or the Office of the SA&I regarding this section.

Manufactured Homes Included in Tax Sales

Please refer to “[Properties with a Manufactured Home](#)” in Chapter Ten, “Duties of the County Treasurer: Collecting Delinquent Real Property Ad Valorem Taxes,” for information on manufactured homes included in tax sales.

Moving Manufactured Homes from the County

- First Movement

68 O.S. § 2813(C)
OTC Rule 710:10-9-17

When a taxpayer wishes to move a manufactured home from one county to another, the county treasurer, prior to change of location or title, must collect the ad valorem taxes due for the full year. Any outstanding prior years' taxes plus penalty and interest must also be collected. The taxpayer is given a receipt for taxes paid and a tax payment decal, which indicates proper payment for all assessment years preceding and including the year of the receipt.

The county treasurer places the tax receipt number on the Manufactured Home Certificate (OTC Form 936-R), which comes from the county assessor, and signs the certificate. Taxes paid before November 1 are placed in Trust Deposit until the tax rolls are prepared and certified.

The language of the statutes has been changed so that prior to issuing a permit to move or transport a manufactured home, the Department of Public Safety no longer has to have evidence that the required registration fees, excise taxes, or ad valorem taxes have been paid. All that the law now requires is a current calendar year decal or current registration or a repossession affidavit.

47 O.S. § 14-103D
68 O.S. § 2813

The county assessor of the county in which the manufactured home is located must notify the county assessor of the county to which the manufactured home is being moved.

Repossession of Manufactured Homes for Ad Valorem Taxes Due

The reposessor of a manufactured home must secure a repossession affidavit from the motor license agent prior to moving the manufactured home. The reposessor has up to 30 days to secure the Manufactured Home Certificate (OTC Form 936-R) from the county assessor in the county from which the manufactured home is moved. The county assessor prepares the form and forwards it to the county treasurer who adds any delinquent taxes due, collects all taxes due on the manufactured home, and signs the form before returning it to the county assessor.

68 O.S. § 2813(E)
OTC Rules 710:10-9-20,
710: 10-9-22

Quarterly Report of all Decaled Manufactured Homes

At the end of each calendar quarter, the county treasurer and the county assessor, in cooperation, must transmit a record of all decaled manufactured homes listed on the tax roll of the county. The information must either be transmitted on a form prescribed by the OTC

68 O.S. § 2812(C)
OTC Rule 710:10-9-18

or by computerized data compatible with the OTC computer and formatted as prescribed by the OTC. The following information must be included:

1. Title Number
2. Vehicle Identification Number (VIN)
3. Decal Number
4. Tag Number

Farm Implement Tax Stamps

The Farm Implement Tax Stamp is a tax in lieu of ad valorem tax on certain parts of the inventories, both new and used, owned or possessed for sale or lease by farm implement retailers. The tax stamps are to be affixed on the dealer's copy of the sales invoice of each new or used farm implement sold. This tax does not relieve any other property of the dealer from ad valorem taxation.

68 O.S. § 5401

Amount of Tax Imposed

Items with a list price of Five Hundred Dollars (\$500.00) or more are taxed in lieu. This tax should be paid by the dealer in the county where the dealership is located. The tax shall be based on sales totals shown in [Table 8-1](#).

68 O.S. § 5402
OTC Guidelines

Table 8-3. Sales Totals for Farm Implement Tax Calculations

Sales	Tax
\$500.00 to \$1,999.00	\$6.00
\$2000.00 to \$9999.00	\$12.00
\$10,000.00 to \$19,999.00	\$18.00
\$20,000 to \$29,999.00	\$24.00
\$30,000 to \$39,999.00	\$36.00
\$40,000 to \$49,999.00	\$48.00
\$50,000 to \$59,999.00	\$60.00
\$60,000 to \$69,999.00	\$72.00
\$70,000 to \$79,999.00	\$84.00
\$80,000 to \$89,999.00	\$96.00
\$90,000 and above	\$108.00

Stamp Denominations and Distribution

Farm Implement Tax Stamps are printed in denominations of \$6.00, \$18.00, \$24.00, and \$108.00 and must be purchased from the county treasurer. The OTC distributes stamps to each county treasurer.

68 O.S. § 5403
OTC Guidelines

Apportionment of Taxes Collected

68 O.S. § 5404

The county treasurer must apportion monthly all monies collected from the sale of Farm Implement Tax Stamps in the following manner:

- Deposit 2% to the General Revenue Fund of the State Treasury.
- Distribute 98% as if it was collected as ad valorem tax in the school district where the farm implement dealership is located.

Utilization of Funds

Taxing jurisdictions receiving funds from the Farm Implement Tax Stamps must utilize them as if the funds had been generated as ad valorem taxes, including servicing debts with sinking funds.

Generating Required Reports

The county treasurer must send the following reports concerning Farm Implement Tax Stamps to the offices indicated and at the frequency indicated:

68 O.S. § 5404

- “County Treasurer’s Monthly Report of Receipts and Sales of Farm Implement Tax Stamps” forms provided by the OTC.

The report must be completed and returned by the 15th of each month following the sales. If there are no sales for the reporting period, the monthly report must be returned indicating “No Sales.”

- At the end of each calendar year, the county treasurer must furnish a report to the county assessor that shows the total amount of taxes collected from the Farm Implement Tax Stamps sold. The report should include the apportionment made to each taxing jurisdiction authorized to receive these funds.

Payment of Taxes on a Plat Certification

Checking Previous Tax Statements

To be accepted for recording, all plats must have a certificate from the county treasurer of the county in which the land is located that certifies the following items:

- All taxes against the land involving the plat, including improvements, for all previous years have been paid.
- All taxes levied against the land to be platted, excluding improvements, for the year during which the plat is offered for recording have been paid.

Determining Current Taxes

If the county assessor has not determined the taxes, or if the county treasurer has not been notified of the taxes due on the land to be platted, the individual who submits the plat for recording must pay a security deposit in cash, or with a bond executed by a bonding company authorized to do business in Oklahoma. The security deposit must be equal to the total of the following two amounts:

1. The sum charged against the land, excluding improvements, on the last tax rolls
2. Twenty-five percent (25%) of the sum above to cover possible tax increases

Handling the Security Trust Deposit

11 O.S. § 41-105

The county treasurer issues an Acknowledgment of Trust Deposit Receipt for the security deposit and holds the deposit in a trust account until the tax rolls have been fixed. If any monies remain in the security deposit after the individual submitting the plat for recording pays the taxes due on the land being platted, the remaining balance is refunded, or the bond is released.

Please refer to [SA&I Form No. 310](#), Acknowledgment of Trust Deposit, or its automated equivalent.

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Chapter Nine

Duties of the County Treasurer: Collecting Delinquent Personal Property Taxes

Oklahoma Statutes require the county treasurer to mail a tax bill to every property owner in the county. However, if the taxpayer fails to receive the tax bill, any taxes are still due on the dates prescribed by law. These dates are outlined in [Chapter Eight, “Duties of the County Treasurer: Collecting Ad Valorem Taxes.”](#) All persons subject to taxation are required by law to pay taxes.

68 O.S. § 2915(A)

This chapter deals with personal property. [Chapter Ten, “Duties of the County Treasurer: Collecting Delinquent Real Property Taxes,”](#) contains information on collecting real property delinquent taxes.

NOTE:

Because of the pandemic situation in 2020, new legislation has been passed regarding delinquent taxes. The following statute affects Title 68, sections 3102, 3103, 3104, 3105, 3106, and certain other sections dealing with delinquent taxes.

68 O.S. § 3148

“In the event the Governor declares a Catastrophic Health Emergency pursuant to the Catastrophic Health Emergency Powers Act, the board of county commissioners, upon the

68 O.S. § 2914

written request of the county treasurer, shall postpone delinquent tax sales and related delinquent tax notices and publications. The county treasurer shall designate the period of postponement up to but not more than one (1) year. Upon postponement action by the board of county commissioners, the county treasurer shall advertise the details of the postponement in the same manner as other delinquent tax legal publications once per week for four (4) consecutive weeks.”

Collecting Delinquent Personal Property Taxes

The county treasurer must attempt to collect all delinquent personal property ad valorem taxes plus accumulated interests, other costs, and fees.

68 O.S. § 2915(A)
68 O.S. § 2915

If one-half of the tax bill due November 1 is not paid before January 1, the entire amount becomes delinquent. If the first half is paid but the second half of the tax bill is not paid before April 1, the remaining tax bill becomes delinquent. Taxes less than \$25.00 must be paid before January 1 or the entire tax bill becomes delinquent.

68 O.S. § 2913

Interest on Delinquent Taxes

68 O.S. § 2913

Delinquent personal property taxes accrue an interest penalty of one and one-half percent per month until the taxes and penalty are paid. However, the total interest charge can never exceed the principal tax amount due.

AG Opinion July 30, 1958
25 O.S. 82.1

In instances where the ad valorem taxes for a particular fiscal year for specific property have become delinquent as of the first day of January in that fiscal year, and the taxes have been received by the county treasurer during January, the amount of the penalty is zero, if received by the county treasurer on or before January 15 (or the next business day if the 15th is a holiday). However, if the taxes are received on or after January 16 but on or before February 14, the penalty is one and one-half percent of the total amount of delinquent taxes. Policies can differ between counties, so refer to the statutes and the Attorney General for clarification.

Notice to Taxpayers

Within sixty days after April 1, the county treasurer must mail a notice to each delinquent taxpayer informing that taxpayer that taxes are delinquent and subject to payment with interest.

The county treasurer must also insert a notice of each tax delinquency in a newspaper of general circulation published in the county. These notices must contain the following information:

- Taxpayer's name
- Amount due
- A statement that if the taxes are not paid within 30 days from the date of publication, the taxes will be placed on a personal tax lien docket in the county treasurer's office, and the taxpayer's homestead exemption will be canceled.

Personal Property Tax Lien Docket

Within 30 days after publishing the newspaper notice for delinquent taxpayers, the county treasurer must prepare a delinquent personal property tax lien docket that lists all taxes that are still unpaid. These liens become superior to all other liens, conveyances, or other encumbrances filed after these liens on real and personal property.

The property tax lien docket must list the following information (as indicated on [SA&I Form No. 171](#)):

- Name and address of delinquent taxpayer
- Delinquent tax year(s)
- Tax amount due including interest and costs

After preparing the property tax lien docket, the county treasurer should add the \$5.00 lien fee and publication costs to the lien docket.

The county treasurer may also enter the following statement on the personal property tax roll:

68 O.S. § 3102
68 O.S. § 3103

“All unpaid items contained in this tax roll have been transferred to the personal property tax lien docket for this year.”

No further entries are required on the personal property tax roll, and the county treasurer may close that tax roll.

These provisions apply to all personal property tax rolls after 1970.

Statute of Limitations on the Lien

The property tax lien docket creates a lien on all personal and real property for seven years from the date of the tax lien.

68 O.S. § 3102
68 O.S. § 3103

Releasing Personal Property Tax Liens

After collecting all these monies, the county treasurer releases the lien by recording the following information on the personal property tax lien docket:

- The word, “released”
- The receipt number
- The date
- The name of the taxpayer

68 O.S. § 3103

Business/Personal

A tax lien on real property of a business that arises from delinquent personal property taxes can be released for a sale of real property when approved by the county treasurer. No lien can be released unless all excess proceeds of the sale are paid toward the lien on personal taxes. If the lien is released for a sale, the county treasurer makes an entry into the tax records.

68 O.S. § 3103(B)

Tax liens remain valid for all other property of the taxpayer.

Nonresident Collections

When a taxpayer who owes delinquent taxes resides on or possesses property in another county, the county treasurer must forward a copy of the existing personal tax lien (filed in that county treasurer's personal property tax lien docket) to the county treasurer of the other county who must collect the amount due.

68 O.S. § 3104

The county treasurer of the other county must also record all information in the personal tax lien docket. When this county treasurer collects the money, they release the lien and forward the monies collected (less the lawful collection fees) to the county treasurer in the county where the lien originated.

Collecting Unpaid Delinquent Personal Property Taxes

68 O.S. § 3103

Except as provided otherwise in the Oklahoma Statutes, all unpaid personal property taxes shall become a lien on any real estate owned by the taxpayer.

Issuing Personal Property Tax Warrants

68 O.S. § 3104(A)

For taxpayers who owe delinquent personal property taxes and who do not own real property, the county treasurer can collect delinquent personal property taxes with personal property tax warrants. This tax warrant, [SA&I Form No. 168](#) or its automated equivalent, can be issued whenever the county treasurer feels it is necessary, or when another person requests it. The county treasurer should forward [SA&I Form No. 169](#), Alias Tax Warrant, (or its automated equivalent) to the county sheriff of another county when is it learned the delinquent taxpayer has moved to that county. An Alias Tax Warrant is also used for a second attempt to collect delinquent taxes.

68 O.S. § 3104
28 O.S. § 43

- Tax warrants must be issued against the person who had possession of the personal property at the time it was assessed. These tax warrants command the county sheriff to collect the following monies: The total amount due for unpaid taxes, penalties, and interest plus advertising costs, sheriff's collection fees (\$50.00) and any other lawful costs or fees on the personal property
- A \$10.00 fee for issuing the warrant, payable to the county treasurer, which is deposited in the general fund

- The county treasurer shall not be required to issue a tax warrant for delinquent personal property taxes if the total amount due is less than Twenty-five Dollars (\$25.00) per account.

28 O.S. § 43
28 O.S. § 152.1(A.5)(A.6)

The county sheriff (or assigned deputy) has 60 days to attempt to collect the delinquent taxes under an issued warrant. The county sheriff may personally serve the warrant, post a notice, or even mail a notice. In some cases, the delinquent taxes will be paid right away. Most county sheriffs give individuals and businesses ten business days to pay the taxes before seizing the property, which is a courtesy, not a requirement.

NOTE:

In smaller counties, treasurers are often responsible for issuing these warrants. Some treasurers issue the first warrant to make the party aware they are delinquent, and then return with an alias warrant to seize the property. The delinquent party is advised to sell within 60 days. Other treasurers elect to bring the sheriff with them to issue the first warrant to ensure safety.

If a taxpayer does not pay, the county sheriff may seize the property on which taxes are due (such as farm equipment) or any other personal property that may be sold to raise money to satisfy the tax debt. If taxes are due on a mobile home, the mobile home can be seized in place and sold for taxes.

The county sheriff may **not** tap the till of a business. They may lock the business and seize all property in place. Inventory and equipment may be sold in a sheriff's sale to raise the amount due in back taxes.

If taxes have not been collected within 60 days, it may be that the county sheriff has not been able to locate the taxpayer to identify any property of value to seize. If this is the case, a highly recommended good practice is that the county sheriff and the county treasurer work together to decide if and when an alias warrant should be issued, and if it is worth the time and effort to do so.

In another situation, the county sheriff may have seized property and be waiting to hold a sheriff's sale. If this is the case, and the 60 days expires, the county sheriff should return the original tax warrant and request an alias warrant because the law requires that an active warrant be in place during the entire collection process.

When payment is received, the tax warrant is returned to the county treasurer who issued the warrant. All checks, cash, or money orders collected by the county sheriff are turned in

daily to the county treasurer. The county treasurer provides the county sheriff with a receipt. A highly recommended good practice is that the county treasurer and the county sheriff work together effectively to achieve a successful personal property tax warrant program.

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Chapter Ten

Duties of the County Treasurer: Collecting Delinquent Real Property Taxes

Oklahoma Statutes require the county treasurer to mail a tax bill to every property owner in the county based on the tax rolls prepared and supplied to the county treasurer by the county assessor. However, even if the taxpayer fails to receive the tax bill, any taxes are still due on the dates prescribed by law. These dates are outlined in [Chapter Eight, “Duties of the County Treasurer: Collecting Ad Valorem Taxes.”](#) All persons subject to taxation are required by law to pay taxes.

68 O.S. § 2915

68 O.S. § 2868

This chapter deals with collecting real property delinquent taxes. [Chapter Nine, “Duties of the County Treasurer: Collecting Delinquent Personal Property Ad Valorem Taxes,”](#) contains information on collecting personal property delinquent taxes.

NOTE:

Because of the pandemic situation in 2020, new legislation has been passed regarding delinquent taxes. The new Oklahoma Statute, described below, affects Title 68, sections 3102, 3104, 3105, 3106, and certain other sections dealing with delinquent taxes.

68 O.S. § 3148

“In the event the Governor declares a Catastrophic Health Emergency pursuant to the Catastrophic Health Emergency Powers Act, the board of county commissioners, upon the written request of the county treasurer, shall postpone delinquent tax sales and related delinquent tax notices and publications. The county treasurer shall designate the period of postponement up to but not more than one (1) year. Upon postponement action by the board of county commissioners, the county treasurer shall advertise the details of the postponement in the same manner as other delinquent tax legal publications once per week for four (4) consecutive weeks.”

Collecting Delinquent Real Property Taxes

Preparing Listing of Delinquent Taxes

The county treasurer must prepare a listing of all delinquent taxes where the tax is a lien on real property, which includes real and personal property taxes, special assessments, interest, and costs.

68 O.S. § 3102
68 O.S. § 3106

The listing is used to send notices to taxpayers, publish a notice in a newspaper, and have a working list for the resale process.

The flow chart in [Figure 10-1](#), shows the steps to prepare, mail, and publish a listing of delinquent taxes.

Tax Notice Preparation

The following sections cover the steps the county treasurer should take when preparing a Tax Sale Notice.

1. Develop List of Delinquent Taxes

The county treasurer should canvass the latest tax rolls and identify those properties for which real property (or real and personal) taxes were not paid by April 1 and are therefore delinquent. These properties are included in the Tax Notice along with special assessments, which have been certified to the county as being delinquent. Please refer to [Chapter Eleven, “Duties of the County Treasurer: Collecting Special Assessments.”](#)

68 O.S. § 3105

When delinquent special assessments exist on property, these taxes should be listed under a separate heading.

If the county treasurer learns of a delinquency due to service in the Armed Forces, a Serviceman's Affidavit, [SA&I Form No. 354](#) or its automated equivalent, may be filed to reduce the penalty to 6% per annum.

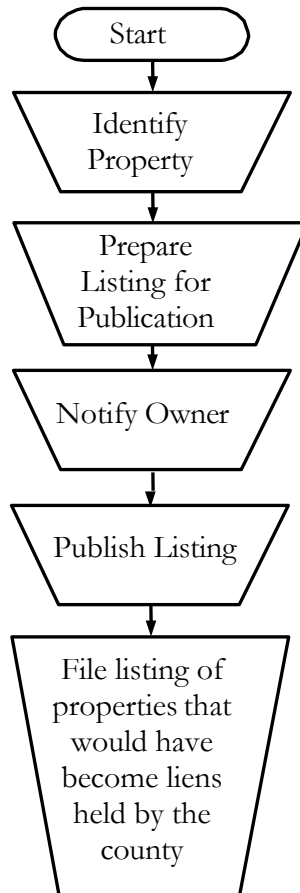


Figure 10-1. Procedure for a Delinquent Tax Listing

2. Check List of Delinquent Taxes Against Prior Years Tax Sale Records

Under Supreme Court authorization, delinquent ad valorem taxes and special assessments can be automatically endorsed to a previous year's Tax Sale when the county was the involuntary purchaser and holds the tax lien. In such cases the delinquent taxes are endorsed to the county.

NOTE:

Endorsements cannot be made to a prior year's tax sale if the delinquent taxes are not of the same type as the current year's taxes. For example, if the previous year's taxes were for ad valorem taxes only, the following year's delinquent special assessment taxes cannot be endorsed to the sale in the previous year.

3. List Properties in Order

The county treasurer should then list all properties with delinquent taxes and special assessments in the Delinquent Tax Notice (Refer to [SA&I Form No. 293](#) or its automated equivalent.)

A recommended good practice is that the county treasurer might find it helpful to number in consecutive order the properties listed in the notice.

Special Listing Requirements

Properties with a Manufactured Home

When listing properties that include a manufactured home, the Tax Notice should include the following statement:

The sale hereby advertised involves a manufactured home, which may be subject to the right of a secured party to repossess. A holder of a perfected security interest in such a manufactured home may be able to pay ad valorem taxes based on the value of the manufactured home apart from the value of real property.

68 O.S. § 3106

NOTE:

The Vehicle Identification Number (VIN) must be listed for all manufactured homes included in the list of properties.

68 O.S. § 3106(B)

If personal property taxes become delinquent on a manufactured home that is located on property not owned by the owner of the manufactured home, notice must be provided to the last known address of the owner of the real property on which the manufactured home is located in addition to the owner of the manufactured home.

Properties Involved in Bankruptcy Proceedings

Property involved in bankruptcy proceedings should not be listed as delinquent taxes.

11 USC § 362A

NOTE:

Counties may list a property to perfect the lien on unpaid property taxes but may not collect the lien until the bankruptcy is lifted.

The county treasurer must receive notification from the debtor that a bankruptcy petition has been filed which includes the property on which the ad valorem taxes are due. The county treasurer is not liable for any property listed in the Tax Notice when notification was not received from a debtor filing for bankruptcy.

11 USC § 362
11 USC 342, Rule 2002f

For any problems or questions that arise concerning bankruptcy cases, the county treasurer is urged to contact the county's district attorney or the State Auditor and Inspector's Office for specific advice and assistance.

11 USC § 521

Sale Notice of Delinquent Taxes

Notice to Property Owner

The county treasurer must also mail the property owner a letter notifying the property owner that the property may be sold for delinquent taxes. This notice must also include the legal description of the delinquent property subject to sale.

68 O.S. § 3106(A)

Except for periods governed by the provisions of the Oklahoma Statutes, within sixty (60) days after taxes on personal property shall become delinquent as of April 1, the county treasurer shall mail notice to the last-known address of such delinquent taxpayer and cause a general notice to be published one time in some newspaper of general circulation, published in the county, giving the name of each person owing delinquent personal property taxes, stating the amount thereof due, and stating that such delinquent personal property taxes, within thirty (30) days from date of this publication, shall be placed on a personal property tax lien docket in the office of the county treasurer and the homestead exemption of such taxpayer shall be canceled pursuant to Section 2892 of this title. Such liens are superior to all other liens, conveyances or encumbrances filed subsequent thereto, on real or personal property. The tax lien shall be a lien on all real and personal property of the taxpayer in the county for a period of seven (7) years, except as otherwise provided in subsection B of Section 3103 of this title. From and after the entry of the tax upon the tax lien docket, any person claiming any interest in any land or personal property can sue the county treasurer and board of county commissioners in the district court to determine the validity or priority of the lien.

Published Notice

The county treasurer shall publish a notice of the delinquent tax listing in a county newspaper once each week for the two consecutive weeks (fourteen days) at any time after April 1, but prior to the end of September. (Refer to [SA&I Form No. 294](#) or its automated equivalent.) The notice includes the following information:

- A statement of notification that all lands on which taxes are delinquent will be sold
- A list of the lands with delinquent tax
- The name(s) of the last owner(s) of record per the latest tax rolls
- The amount of taxes due and delinquent

NOTE:

When listing delinquent lands, the county treasurer should identify delinquent special assessments separate from ad valorem delinquencies, probably in a separate

column on the list. Special assessments should not be incorporated with ad valorem taxes.

NOTE:

In counties with a population exceeding 100,000, the taxpayers must be apprised that they may be eligible for an exemption regarding the sale of their property.

68 O.S. § 3105(B)

Filing a Publisher's Affidavit

On or before October 31, the county treasurer should file with the county clerk a Publisher's Affidavit, received from the newspaper, which verifies a proper newspaper advertisement of the delinquent real taxes was published. The affidavit should be attached to the purchase order. This affidavit replaces SA&I Form No. 295, Certificate of Returns of Delinquent Tax, which is no longer required.

Tax Certificates

Prior to 2008, county treasurers held a tax sale on the first Monday of October, during which tax lien certificates were sold. References to tax certificates were repealed from the Oklahoma Statutes effective in 2008.

68 O.S. § 3105.1

Holding Tax Resales

The county treasurer must hold a tax resale on the second Monday of June of each year to sell any real estate for which the county has held a tax lien for three or more years. A record of land to be sold at resale is compiled on [SA&I Form No. 279](#) or its automated equivalent. A tax resale involves the outright purchase of property on which taxes are delinquent.

68 O.S. § 3125
68 O.S. § 3125

All real estate offered at the tax resale must be sold for at least two-thirds of the current assessed value or for the total taxes, interest, and costs due, whichever is less. Any properties which do not receive sufficient bids are bid off in the name of the county for the taxes, interest, and costs due.

68 O.S. § 3129(B)

NOTE:

All purchases must be made in cash.

Resale Date, Place, and Time

The tax resale is held each year on the second Monday of June in the county treasurer's office between 8:00 a.m. and 5:00 p.m. the exact hours to be determined by the county

68 O.S. § 3105(A)
68 O.S. § 3129(A)

treasurer. The sale shall continue day to day during the same hours until all of the real estate is sold.

Tax Resale Properties

A tax resale consists of delinquent properties that have remained unpaid for three or more years since the taxes first became due and payable. For example, taxes on real property that first became due and payable on November 1, 2016, and remained unpaid through 2019 would be included in the resale set for June 2020.

Notice to Real Estate Owners

The county treasurer must give notice by mail, at least thirty days prior to the resale date, to the owner and to all mortgagees of record of real estate to be sold at the tax resale. The notice must include the resale time and date as well as the legal description of the property.

68 O.S. § 3127

68 O.S. § 3131

County treasurers are recommended to conduct a title search on properties. They should be as diligent as possible in searching real estate records, records of liens in the county clerk's office, and records of court procedures in the court clerk's office. Some county treasurers contract out title searches; some offices conduct their own searches.

If the county treasurer is unable to locate any property owners, the county treasurer must compile a list and sign an affidavit stating that they attempted to find the property owners on the list but were unsuccessful. The list and the affidavit must be attached to the report submitted to the county clerk's office after the resale.

Tax Resale Newspaper Notice

The county treasurer must publish the Notice of Resale of Real Estate for Taxes in a county newspaper of general circulation. The newspaper must have continuously published for 104 consecutive weeks and meet all other criteria listed in the statutes. (Refer to [SA&I Form No. 280](#) or its automated equivalent.) The notice must appear for four consecutive weeks before the resale date and must contain the following items:

68 O.S. § 3125(A)

68 O.S. § 3129(A)

68 O.S. § 3127

- A description of the real estate to be sold
- The name of the record owner of the real estate as of the preceding December 31 or later as shown on the latest tax rolls

- The place of the sale appearing in the caption
- The time of the sale appearing in the caption
- The year(s) for which assessed taxes remain unpaid

This item only applies to previous tax years when a lien sale occurred.

- A statement that the taxes have not been paid for four years
- The total amount of taxes, interest, and costs due for each tract of land
- A statement appearing in the caption that the real estate will be sold to the highest bidder for cash

68 O.S. § 3127

Notice to IRS

If the county treasurer discovers that any property scheduled for resale has an IRS lien against it, the county treasurer must notify the IRS. A recommended good practice is to send the IRS the “Final Notice of Resale” that is sent to other interested parties.

Notice to OHCA

The county treasurer shall provide to the Oklahoma Health Care Authority (OHCA) a list of properties that will be sold at tax resales in their respective counties. Using the information provided, OHCA shall produce a list for each county of properties on which OHCA has liens. The county treasurer shall make the list of properties with OHCA liens available to potential buyers at the tax resales. OHCA shall file a release of the liens on properties that fit the definition of blighted properties, in the county records of the county where the property is located upon request of that county treasurer. The filing of the lien release shall not extinguish the debt owed to OHCA, which may be enforced through any legal means available to OHCA.

68 O.S. § 3129(C)

11 O.S. § 38-101

Payments at Tax Resales

In addition to the amount bid on real estate at a tax resale, the purchaser must pay an amount sufficient to pay all expenses of the county in preparing, listing, and advertising the real estate.

Because the owner of record of the real estate has the right to redeem the tax lien on the property prior to the delivery of the resale deed, the cash received at a tax resale may be subject to refund. The county treasurer must issue an [Acknowledgment of Trust Deposit, SA&I Form No. 310](#) or its automated equivalent, to the purchaser at a tax resale.

Payments received must be placed in the county treasurer's depository account pending the delivery of a resale deed. When the resale deed is delivered, the county treasurer must record the following information on the Acknowledgment of Trust Deposit:

Deed Delivered: (time) ; (date)

Payments received at the tax resale can be apportioned upon delivery of the resale deed.

If no bid is received for a parcel, the county treasurer bids for the property in the name of the county, and it is sold to the county.

Return of Tax Resale

68 O.S. § 3131

Within thirty days after completing the tax resale, the county treasurer files a [Certificate of Return of Resale of Real Estate for Delinquent Tax, SA&I Form No. 380](#) or its automated equivalent, with the county clerk and retains a copy in the county treasurer's office. The return of tax resale should include:

- SA&I Form No. 380
- A list of the tracts of land sold
- The date each tract was sold
- The name of each purchaser and the price paid
- A copy of the newspaper notice of resale
- An affidavit that verifies newspaper publication

- The complete minutes of the sale
- A statement that the resale was adjourned from day to day until complete
- An affidavit regarding property owners the county treasurer was unable to locate

Resale Deed

68 O.S. § 3129
68 O.S. § 3133

Within thirty days after a tax resale, the county treasurer must provide a [County Treasurer’s Resale Deed, SA&I Form No. 303](#) or its automated equivalent, for the property purchased at resale to an individual purchaser. When the property has been bid off in the name of the county, the deed is delivered to the board of county commissioners. For property sold to the county, the county treasurer issues a [County Treasurer’s Resale Deed \(County\), SA&I Form No. 304](#) or its automated equivalent.

68 O.S. § 3135
68 O.S. § 3136

Property deeded to the county must be maintained by the county. A record of expenses and work is recorded on [SA&I Form No. 300](#) or its automated equivalent.

68 O.S. § 3131

Issuing a county treasurer’s tax resale deed cancels all delinquent taxes, assessments, penalties, and costs existing against the real estate. The deed vests in the recipient an absolute and perfect title in fee simple to the real estate.

68 O.S. § 3131

NOTE:

Taxes refer to ad valorem taxes. A tax resale deed may or may not cancel state, federal, or other local taxes and assessments which may have not been published and which may be unknown.

NOTE:

The record owner has twelve months to file a protest on a tax resale deed.

28 O.S. § 43

More than one tract of land may be included in one resale deed. The county treasurer must collect ten dollars from the purchaser for the first tract and nothing for each additional tract.

Apportioning Tax Resale Proceeds

When Proceeds Exceed the Total Amount Due

68 O.S. § 3131

When real estate is sold at a tax resale for more than the taxes, interest, fees, and costs due, the county treasurer must take the following actions:

- Hold the surplus funds in a separate account and notify the former owner that the land was sold and the surplus funds can be claimed. If the former owner fails to claim surplus within one year, the surplus is credited to the County Resale Property Fund.
- Apportion the taxes as if they had been paid on time.
- Apportion the ad valorem tax interest accrued to the resale property fund.
- Apportion special assessments and accrued interest to the appropriate entity.
- Apportion the fees and costs collected to the Resale Property Fund.

68 O.S. § 3137

In counties having a net assessed valuation in excess of eight million dollars, any balance over and above the necessary reserves for items mentioned in the statutes must be apportioned by the county treasurer in the following manner:

- One-third to the general fund
- One-third to the cities and towns of the county
- One-third to the school districts of the county

In counties having a net assessed valuation of eight million dollars or less, any balance over and above the necessary reserves for items mentioned in the statutes must be apportioned by the county treasurer in the following manner:

- In the ratio that the county, city or town and school district levy bears to the fifteen-mill levy as allocated by the county excise board
- To the cities and towns of such county in the ratio that the last certified assessed valuation of each bears to the total assessed valuation of all such cities or towns in the county.

- To the school districts of the county on a scholastic enumeration basis.

68 O.S. § 3131
68 O.S. § 3137

When Proceeds Equal the Total Amount Due

When real estate is sold at a tax resale for the exact amount of taxes, interest, fees, and costs due, the county treasurer apportions the monies in the following manner:

- The ad valorem interest to the Resale Property Fund
- The fees and costs to the fund from which they were originally disbursed
- The ad valorem taxes as if they had been paid on time
- The special assessments plus accrued interest to the assessment district from which the delinquent amount arose

When Proceeds are Less than the Total Amount Due

When real estate is sold at a tax resale for less than the amount of taxes, interest, fees, and costs due, the county treasurer apportions the monies in the following manner:

- The fees to the General Fund and costs to the fund(s) from which the costs were originally paid
- The special assessments and ad valorem taxes prorated according to the proportion of the total due as shown in the following example:

Ad Valorem tax due	\$250.00
Special assessment due	110.00
Original total due	\$360.00
Costs, fees, and interest	155.00
Total due at tax resale	\$515.00
Monies actually received	\$350.00
Less costs, fees, and interest apportioned	155.00
Balance to pro-rate	\$195.00

Special Assessments Allocated:

$$110/360 = 30.55\% \times 195.00 = \$59.57$$

Ad Valorem Tax Allocated:

$$250/360 = 69.45\% \times 195.00 = \$135.43$$

If the amount prorated to ad valorem taxes is greater than the total tax due but less than the total tax due plus interest, then the full amount of the tax due is apportioned as if it had been paid on time. The remainder is apportioned to the Resale Property Fund as shown in the following example:

Ad Valorem Tax Due	\$100.00
Interest Due	24.00
Total Due	\$124.00
Monies Actually Received	\$112.00
Ad Valorem Tax Allocated	\$100.00
Resale Property Fund Allocated	\$12.00

If the amount prorated to ad valorem taxes is less than the total ad valorem tax due, the amount collected must be prorated to the total amount due in each year as shown in Table 10-1.

**Table 10-1. Prorating Monies Collected
Less Than the Total Ad Valorem Tax Due**

Year	2019	2020	2021	2022
Delinquent Ad Valorem Tax Due	\$105.00	\$110.00	\$115.00	\$120.00
Total Delinquent Tax Due = \$450.00				
Proportion of Total Due	105/450	110/450	115/450	120/450
Times Ad Valorem Tax Collected	\$250.00	\$250.00	\$250.00	\$250.00
Amount Prorated to Each Year	\$58.33	\$61.11	\$63.89	\$66.67
Total Amount Prorated = \$250.00				

68 O.S. § 3130

If the amount prorated to special assessments is less than the total of special assessments due, the amount collected must be prorated to the total amount due to each special assessment district as shown in [Table 10-2](#). The total due was \$379.50 (\$207 + 172.50). A total of \$150.00 was received.

Table 10-2. Prorating to Assessment Districts Monies Collected Less Than the Total Ad Valorem Tax Due

Year	Payments	Paving District #1	Sewer District #3
2019	Installment	\$60.00	\$50.00
	Interest	14.40	12.00
2020	Installment	\$60.00	\$50.00
	Interest	7.20	6.00
2021	Installment	\$60.00	\$50.00
	Interest	5.40	4.50
	Total	\$207.00	\$172.50
Proportion of Total Due		207/379.50	172.50/379.50
Times Total Received		\$150.00	\$150.00
Amount Prorated to District		\$81.82	\$68.18

Report to County Commissioners

On or before the 30th of June of each year the county treasurer must file a financial statement (SA&I Form No. 409 or its automated equivalent) of the resale property fund with the county clerk for the approval of the board of county commissioners, setting forth the necessary reserves for expenditures either made or anticipated, to cover expenses specified in the statutes.

68 O.S. § 3137(E)

Holding a Commissioner's Sale

The county treasurer may sell property deeded to the county after a tax resale upon receiving a bid on that property on SA&I Form No. 302 (or its automated equivalent) and approval by the board of county commissioners.

68 O.S. § 3135

Notice of Sale

However, a notice of the sale, SA&I Form No. 301 or its automated equivalent, must be published in a county newspaper once in each of the three consecutive weeks preceding the sale. The notice must include the following information:

- A description of the property
- The amount bid and the name of the bidder
- A statement that the property will be sold to the bidder on a specific date and time unless higher bids are received at the sale
- A statement that the sale price is subject to the approval of the board of county commissioners

Bidder Deposit

Any bidder must place a deposit with the county treasurer's office to cover the cost of advertising the sale.

68 O.S. § 3135

Commissioner's Sale

At the sale, the property is auctioned to the highest bidder for cash or certified funds. If no higher price is offered, the property is sold to the original bidder. Before closing the sale, the successful bidder must also pay the additional advertising and sale costs as well as the county clerk's recording fee.

After the sale, a transcript of the proceedings, [SA&I Form No. 248](#) or its automated equivalent, and an affidavit that verifies publication of the newspaper notice must be forwarded to the board of county commissioners for approval. If the sale is not approved, the county treasurer must cancel the sale. If the sale is approved, the chairman of the board of county commissioners must execute a deed conveying Fee Simple Title to the purchaser.

Treasurer's Sale

After notice by publication, property deeded to the county after a tax resale may also be sold by auction. The auctions can be held at any time, date, and place set by the county treasurer with the approval of the board of county commissioners. At the auction, the property will be sold to the highest competitive bidder. Any bid that is less than all of the real estate ad valorem taxes owed at the time of the original resale may be accepted only upon approval of the board of county commissioners and the county excise board.

68 O.S. § 3135

An auctioneer can be hired if the county treasurer desires.

Any bid that is less than all of the real estate ad valorem taxes owed at the time of the original resale may be accepted only upon approval of the board of county commissioners and the county excise board.

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Chapter Eleven

Duties of the County Treasurer: Collecting Special Assessments

Understanding Special Assessments

Many types of special assessments levied by various boards, districts, and municipalities can become a lien on real property in the special assessment districts. Some special assessments are levied for construction or improvement projects administered by the boards, districts, or municipalities, and these assessments may be levied for a certain number of years. The boards, districts, or municipalities may also levy a recurring annual assessment for operating expenses.

Special assessments might be levied for projects such as the following examples:

- Waterworks or water supplies
- Sewer and water system improvements
- Roads and streets
- Cleaning, mowing, and dilapidated building demolition

11 O.S. § 22-111

- Sidewalks
- Public utilities installation
- Fire protection districts
- Irrigation districts

No property situated in a special assessment district is exempt from assessment payments. These assessments are made to pay for construction costs, which may be payable over a period of years, and the cost of annual operations.

Collecting Special Assessments

The municipalities collect special assessments.

If payments become delinquent, the municipal clerk certifies the delinquencies to the county treasurer for collection between July 1 and July 10. Before certifying the delinquency to the county treasurer, the municipal clerk must send a notice by restricted delivery to the last known address of the property owner on or before June 1.

NOTE:

Municipalities may have unique standards that must be met before considering a special assessment delinquent. The county treasurer should ensure that municipalities have completed all necessary steps according to their regulations. The county treasurer should also keep copies of all correspondence (meeting minutes, invoices, certified mailings, and liens) to attach to the special assessment file in the treasurer's office.

The county treasurer issues a receipt, [SA&I Form No. 278](#) or its automated equivalent, to show that the payments have been received.

Upon receiving the certified delinquency, the county treasurer collects these delinquent special assessments in the same manner as ad valorem real property taxes. Please refer to [Chapter Eight, "Duties of the County Treasurer: Collecting Ad Valorem Taxes;"](#) [Chapter Nine, "Duties of the County Treasurer: Collecting Delinquent Personal Property Ad Valorem Taxes,"](#) and [Chapter Ten, "Duties of the County Treasurer: Collecting Delinquent Real Property Ad Valorem Taxes"](#) in this handbook for additional information.

Payments

After certification from the municipal clerk, payment may be made only to the county treasurer. The county treasurer also collects a \$5.00 fee for each parcel of property. This fee is deposited to the county general fund.

Within thirty days after the county treasurer collects a delinquent assessment, the county treasurer must pay the amount collected to the municipal treasurer for disbursement according to the Oklahoma Statutes.

If the municipality does receive payment, the municipal clerk must forward a notice of payment to the county treasurer and direct that the lien be discharged. If the municipality and the county treasurer agree that the county treasurer is unable to collect the costs, the municipality may pursue a civil remedy for collection.

11 O.S. § 36-222(A)
11 O.S. § 22-111
11 O.S. § 22-112(5)

Municipal Road and Street Improvement

Road and Street Improvements

Assessments for municipal road and street improvements are limited to those properties in an incorporated municipal area. The actual levy is made by municipal ordinances designated by districts. The paving cost in a district is proportionally charged to each property description involved.

The levying body issues bonds to defray the paving cost. Each property owner has one of two options to pay the cost:

- The total cost assessed to each property may be paid in one lump sum within a thirty-day period.
- After thirty days, the assessment is payable in ten annual installments plus interest charged on the unpaid balance.

If a paving or road improvement district property owner is the subject of a court-ordered payment, a record of the payment received by the county treasurer is shown on [SA&I Form No. 320](#) or its automated equivalent.

Municipal Water and Sewer Distribution

Assessments for municipal water and sewer distribution are levied by municipal ordinance or special improvement districts with the charge assessed to individual properties included in a particular sewer district or area.

These assessments may be paid in full during a thirty-day period, or payments may be made during a five-year or ten-year annual installment period with interest being charged at an annual rate of six percent on the unpaid balance.

In addition to collecting the delinquent installments, the county treasurer records these collections on [SA&I Forms 143, County Treasurer's Sewer Record](#), and [SA&I Form No. 144, Sewer Tax Receipt](#), or their automated equivalents.

Municipal Cleaning, Mowing, and Dilapidated Building Demolition

Cleaning and Mowing

11 O.S. § 22-111

When a municipality incurs costs for cleaning or mowing, the municipality may charge the property owner the actual costs and demand payment.

11 O.S. § 22-112

Dilapidated Building Demolition

When a municipality incurs costs for dilapidated building demolition, the municipality may charge the property owner the actual costs and demand payment. If payment is not made within six months from the date the statement is mailed, the municipal clerk forwards a certified statement of the number of delinquent assessments due.

Fire Protection Districts

19 O.S. § 901.19

19 O.S. § 901.20

Assessments

Each year the board of directors of a fire protection district must levy assessments sufficient to satisfy indebtedness and the cost of operation and maintenance as directed by the statutes. These assessments are liens against the properties and are coequal with ad valorem and other taxes, including special assessments.

Claims

The county treasurer must keep a register in which is registered all warrants presented as claims against the fire protection district. The register must include the following information:

19 O.S. § 901.21

- Date of the warrant
- Amount of the warrant
- The payee
- Date the warrant is presented for payment
- Date of payment
- Amount paid in redemption

Other Special Improvement Districts

Other assessments exist that may be levied under the Oklahoma Statutes. These assessments cover water and drainage and are not levied by municipal ordinances. Instead, they are made by a group of people in an area outside of an incorporated municipality who vote and fulfill certain legal provisions and requirements to form a special improvement district to provide for various utility needs. Bonds are issued to cover the cost of construction.

19 O.S. § 892
19 O.S. § 901.2
19 O.S. § 1250

Repayment for the bonds is an obligation of all real property owners in the district without regard to homestead exemption. The repayment amounts vary yearly as the property valuation varies and the operating costs change. The actual levy is determined in accordance with the statutes and by the improvement district board. These charges are coequal with ad valorem taxes.

Rural Road and Street Improvements

The county treasurer may be required to collect special assessments for roads or other projects in unincorporated areas of the county or for a rural road improvement district.

19 O.S. § 1232
19 O.S. § 902.15
19 O.S. § 902.16

Sewer Improvement Districts

The county treasurer may be required to collect special assessments for sewer improvement districts.

19 O.S. § 902.15
19 O.S. § 902.16
19 O.S. § 892

Water and Water Rights

Conservancy Act of Oklahoma

The board of directors shall each year thereafter determine, order, and levy the part of the local assessment levied under the Conservancy Act Oklahoma, which shall become due and collectable during each year at the same time the state and county taxes are due and collected. This annual levy shall be evidenced and certified by the board not later than October 1st of each year to the county clerk of each county in which the real or other property is situated.

82 O.S. § 639
62 O.S. § 306d
62 O.S. § 411

The certificate of the annual levy shall include a blank column in which the county treasurer shall record the amounts collected.

Irrigation Districts

The county treasurer may be required to collect special assessments for irrigation districts pursuant to the Oklahoma Irrigation Act.

82 O.S. § 277.7(B.1)
82 O.S. § 277.8
82 O.S. § 277.9

Chapter Twelve

Duties of the County Treasurer: Collecting Protested Taxes

Applying Tax Levy Decisions

68 O.S. § 2880.1

Any taxpayer has the right to appeal any order of the county equalization board to the district court of the same county. Appeals to a district court decision can also be made to the Supreme Court.

68 O.S. § 2884

Even though an appeal is pending, the full amount of the assessed taxes must be paid in full and in the manner provided by law. If the tax becomes delinquent, any appeal will be dismissed.

68 O.S. § 2884

If the taxpayer is paying taxes in two equal installments, and the amount being paid under protest does not exceed fifty percent of the full amount of the assessed taxes, all protested taxes must be specified in the second installment payment.

Providing Written Notice

68 O.S. § 2884

When the taxpayer pays the tax or by December 31, whichever is earlier, the taxpayer must provide a written notice that the taxes are being paid under protest. The taxpayer must attach to the tax protest notice a copy of the petition filed in the court in which the appeal was taken. The tax protest notice must specify the total tax amount that is being paid under protest.

Oklahoma Tax Commission Form No. 990-R-98 (front and back) must be completed for all payments of taxes under protest. An example of this form is provided later in this chapter.

68 O.S. § 2881(D)

For all written complaints filed with the Oklahoma Tax Commission, the State Board of Equalization must notify, in writing by certified mail, the Attorney General and all affected school districts and other recipients of ad valorem tax revenue within ten days after the complaint is filed.

Collecting Tax Payments Made under Protest

68 O.S. § 2884

The county treasurer must accept tax payments made under protest when properly filed on either OTC Form No. 990-R-98 or SA&I Form No. 399, Notice of Tax Protest (or automated equivalents). Protest taxes might be collected for property valuation, tax levies, or payments where no appeal is provided by law. For all protest tax payment situations, the county treasurer must perform the following actions:

- Create a Protest Tax Record, SA&I Form No. 292 or its automated equivalent
- Assign a protest number to the tax payment if the protest has been properly filed. Protest numbers begin with the number one at the beginning of each fiscal year and increase in increments of one.
- Enter the protested payment and protest number in the Protest Tax Record.
- Hold the portion of the tax payment that is being paid under protest in a tax protest account or accounts in the bank. The funds in this account are not apportioned pending the court order regarding the protest appeal. Protested tax monies should be invested in the same way as surplus tax funds not paid under protest. When making investments, a recommended good practice is for the county treasurer to consider when the tax payments might need to be refunded.

68 O.S. § 2884(B)

NOTE:

68 O.S. § 2884(C)

For any funds over Fifteen Thousand Dollars (\$15,000.00), the taxpayer can choose the type of investment and where the protested funds will be invested.

- Issue a tax receipt that includes a notation that the payment has been made under protest, and the assigned protest number.

A record of funds being held in the protested tax account must be reported to the Office of the SA&I on the Protest Tax Record or on an automated equivalent of that form.

Notification to the State Auditor and Inspector

68 O.S. § 2884(D)

Prior to January 31 of each year, the county treasurer must determine the total amount of ad valorem tax paid under protest and report that amount to the State Auditor and Inspector in the following manner:

- The total amount of protested ad valorem tax
- The total amount of protested ad valorem taxes by each taxpayer
- The apportionment of the protested ad valorem tax that would have been made to each school district and each technology center district if there had been no protest.

68 O.S. § 2884(C)(D)

If any of the above information changes by March 1 of each year, the county treasurer must submit revised information within thirty days of the change. Treasurers may not have all of the information for protested taxes until after March 31, so it may be advantageous to report in June or July.

Collecting Payment for Protested Property Valuation Tax Payments

68 O.S. § 2884(C)(D)

When an appeal is being made on the basis of property valuation or on a question of assessment, the amount paid under protest is limited to the amount of taxes assessed on the property for the year in question less the amount of taxes that would be payable if the court determined that the property valuation asserted in the appeal was correct.

Issuing Refunds for Protested Property Valuation Tax Payments

When the Court Decides against the Taxpayer

If the court decides that the tax assessment will remain unchanged, the county treasurer receives a court order to apportion the tax payment plus any accrued interest. Do not release protested taxes until the court order has been received by your office. The county treasurer must then apportion the tax payment and interest as if the tax was not paid under protest.

19 O.S. § 691
19 O.S. § 692
19 O.S. § 693

When the Court Decides in Favor of the Taxpayer

If the court decides that the tax assessment is too high, the county treasurer will receive an order from the court that must be followed. Do not release protested taxes until the court order has been received by your office.

68 O.S. § 2884

The county treasurer then apportions all remaining funds plus any accrued interest for that payment as if they had not been paid under protest (interest percentage is equivalent to the principle percentage).

The county treasurer refunds the excess tax payment plus any accrued interest to the taxpayer by issuing a cash voucher claim to the county clerk who will respond with a cash voucher against the money held in the protest fund.

NOTE:

The IRS requires that the county treasurer issue 1099NT forms for any interest of Six Hundred Dollars (\$600.00) or more paid to the taxpayer.

68 O.S. § 2884
68 O.S. § 3023
68 O.S. § 3030
68 O.S. § 3031

If the court finds that the property of railroads, air carriers, or public service is too high, the State Auditor and Inspector, upon receiving corrected valuation certification, must certify the correct valuation to the county treasurer. The county treasurer refunds the difference between the amount paid and the correct amount and apportions the remaining amount (amount plus interest).

Notification to the State Auditor and Inspector

Within ten days after escrowed ad valorem taxes are released, the county treasurer must submit a schedule showing the disposition of the released funds, separated by fund for each school district and area school, to the State Auditor and Inspector. The State Auditor and Inspector must certify the apportionment schedule and transmit a copy to the State Superintendent of Public Instruction and the Director of the Oklahoma Department of Career and Technology Education.

68 O.S. § 2884(D.3)
70 O.S. § 18-200.1

Collecting Payments for Tax Levy Protests Filed with the Court of Tax Review

A taxpayer must file a protest of tax levies with the Court of Tax Review within fifteen days from the date on which the county budget and levies are filed with the State Auditor and Inspector. The taxpayer must still pay the taxes levied at the time and in the manner prescribed by law.

68 O.S. § 3023
68 O.S. § 3030
68 O.S. § 3031

The State Auditor and Inspector sends a copy of the tax levy protest to the county treasurer.

Issuing Refunds for Tax Levy Protests Filed with Court of Tax Review

When the Court Decides against the Taxpayer

If the Court of Tax Review decides that the budget and tax levies are legal, the State Auditor and Inspector will send a copy of the decision to the county treasurer who must then apportion the tax payment and any accrued interest as if the tax was not paid under protest.

68 O.S. § 3030

When the Court Decides in Favor of the Taxpayer

If the Court of Tax Review decides that the budget or tax levies are not legal, the county clerk will receive a copy of the court decision. The treasurer will also need a copy of the court decision. Since this decision will affect not just one, but several taxpayers, the county treasurer must notify all taxpayers involved by publishing a notice in one issue of a county newspaper. This notice must be published within thirty days of the court's decision.

68 O.S. § 3030(b)

Each taxpayer affected by the court’s decision must request a refund from the county treasurer’s office. The county treasurer must then issue a cash voucher claim to the county clerk who will respond with a cash voucher against the money held in the protest fund. Any interest earned by the excess tax payment must also be refunded to the taxpayer.

NOTE:

The IRS requires that the county treasurer issue 1099 forms for any interest of Six Hundred Dollars (\$600.00) or more to the taxpayer.

The tax refund must be claimed within six months of the court’s decision. The county treasurer should apportion any unclaimed funds in the same way as the original levies. However, these funds should be credited as a surplus for the following fiscal year.

68 O.S. § 3030(c)

The county treasurer then apportions all remaining funds, plus any accrued interest, for that payment as if it had not been paid under protest.

Collecting Payments for Tax Protests - No Appeal is Provided by Law

Taxpayer Protest

If a taxpayer protests a tax payment because of some action for which the law provides no appeal, the taxpayer must still pay the full amount of the tax at the time and in the manner prescribed by law.

68 O.S. § 2886

The taxpayer must give written notice on [Oklahoma Tax Commission Form 990-R-98](#) to the county treasurer’s office that the taxes are being protested and show grounds for bringing the suit.

68 O.S. § 2886

Protest Tax Collection

The county treasurer accepts the protested tax payments and holds them in the protest fund for thirty days. If a summons is received within thirty days, the county treasurer then performs the actions stated under “[Collecting Tax Payments Made Under Protest](#)” earlier in this chapter.

If a summons is not received within thirty days after collecting the protested tax payment, those monies, plus any accrued interest, should be apportioned by the county treasurer as if no protest had been made.

OTC 990 <small>Revised 1-2019</small>	State of Oklahoma Payment of Taxes Under Protest Due to Pending Appeal Tax Year
Notice to _____ Grant _____ County Treasurer	

This form must be completed and filed with the County Treasurer by December 31 or when the first payment is made, attach a copy of the petition filed in the court or other appellate body in which the appeal was taken.

Due date for tax payment before the first day of January is stipulated in 68 O.S. Section 2913. The statutory provision for paying under protest is 68 O.S. Section 2884. **The full** amount of taxes against the property which is under protest shall be paid in a time and manner provided by law. Section 2884 allows for two payments prorated according to percentage of protested amount. **Please review the above referenced statutes to ensure proper payment. Failure to pay taxes will cause the appeal to be dismissed.**

PRINT INFORMATION:

Property Owner's Name: _____
 or
 Name of Company: ABC Incorporated → call them if you have any questions concerning this form
 Company Representative: John Smith Telephone Number: 555-555-5555
 Email Address: js@abcinc.net
 Parcel Number: Personal Property Account Number: 122212 → TID #

LEGAL DESCRIPTION:	School District
Quicksand	Medford

Figure 12-1. OTC Form 990

PRINT INFORMATION:
 Court Petition Number: CV-2023-34
 Brief explanation of protest: Valuation of personal property in excess of actual fair cash value →
 Total Tax Due: 100,000.00
 Amount of Tax Protested: (First half) 0 (Second half) 32,000.00
 Amount of Payment: (First half) 50,000.00 (Second half) 50,000.00

On this protest, they are not protesting any of the first-half payment: first-half can be apportioned to schools.

However, they are protesting \$32,000.00 out of the second-half. The treasurer would deposit \$32,000.00 in escrow until protest is settled and would apportion the remainder of \$18,000 to the schools.

Case Number: CV-2023-34. **See Attached Court Petition** → Ensure you receive a copy of court petition.
 I attest that taxes are being paid under protest based on an appeal filed in district court or other appellate body.

 Signature of Property Owner or Company Representative Date
 Received payment of \$ _____ by the _____ County Treasurer

 Signature of County Treasurer or Deputy Date →

Sign, date, and return to address above.

Most protests will not be mailed until the end of December, so as long as it is postmarked before the penalty date and the envelope can be scanned to prove that the protest is properly filed.

Figure 12-1. OTC Form 990 (Continued)

A. The full amount of the taxes assessed against the property of any taxpayer who has appealed from a decision affecting the value or taxable status of such property as provided by law shall be paid at the time and in the manner provided by law. **If at the time such taxes or any part thereof become delinquent and any such appeal is pending, it shall abate and be dismissed upon a showing that the taxes have not been paid.**

B. When such taxes are paid, or **by December 31**, whichever is earlier, the persons protesting the taxes shall give notice to the county treasurer that an appeal involving such taxes has been taken and is pending, and shall set forth the total amount of tax that has been paid under protest or **required by law to be paid prior to April 1** that will be paid under protest. The notice shall be on a form prescribed by the Tax Commission. If taxes are paid in two equal installments and the amount paid under protest does not exceed fifty percent (50%) of the full amount of assessed taxes, all protested taxes shall be specified in the second installment payment. If such amount does exceed fifty percent (50%) of the full amount of assessed taxes, then the portion of protested taxes that exceeds fifty percent (50%) of the full amount of assessed taxes shall be specified in the first installment payment and the entire second installment shall be specified to be paid under protest. The taxpayer shall attach to such notice a copy of the petition filed in the court or other appellate body in which the appeal was taken. For railroads, air carriers, and public service corporations, the amount of taxes protested shall not exceed the amount of tax calculated on the protested assessed valuation specified in the complaint filed pursuant to the provisions of subsection A of Section 2881 of this title.

C. It shall be the duty of the county treasurer to hold taxes paid under protest separate and apart from other taxes collected. Any portion of such taxes not paid under protest shall be apportioned as provided by law. Except as otherwise provided for in this subsection, the treasurer shall invest the protested taxes in the same manner as the treasurer invests surplus tax funds not paid under protest, but shall select an interest-bearing investment medium which will permit prompt refund or apportionment of the protested taxes upon final determination of the appeal. In cases where the amount of the protested ad valorem taxes by a taxpayer is in excess of Fifteen Thousand Dollars (\$15,000.00), the taxpayer may elect to choose the type of investment and where the

investment of the protested funds will be deposited as long as the investment is of a type authorized for the county, the depository institution qualifies as a county depository, and the depository institution is located in the applicable county.

D. 1. Prior to January 31 of each year, the county treasurer shall determine the amount of ad valorem taxes paid under protest and those ad valorem taxes that will be paid under protest pursuant to subsection B of this section. The county treasurer shall then notify the State Auditor and Inspector of the total amount of paid protested ad valorem taxes and anticipated protested ad valorem taxes, the total amount of protested taxes and anticipated protested taxes by each individual taxpayer, and how such paid protested ad valorem taxes and anticipated protested ad valorem taxes would have been apportioned to each school district and technology center school district by fund had such amount of protested ad valorem taxes not been protested.

2. The State Auditor and Inspector shall compile all of the information submitted by the county treasurers in a format which shall set forth the total amount of paid and anticipated protested taxes for each school district and technology center school district by fund and a total for each school district and technology center school district by fund. This information shall then be submitted by the State Auditor and Inspector to the State Superintendent of Public Instruction, the Director of the Oklahoma Department of Career and Technology Education, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate. If any of the information submitted to the State Auditor and Inspector changes after being submitted, the county treasurer shall notify the State Auditor and Inspector and the State Auditor and Inspector shall submit revised information to the parties enumerated in this paragraph within thirty (30) days of such change.

3. Within ten (10) days of the release of the escrowed ad valorem taxes by the county treasurer, as required by subsection E of this section, the county treasurer shall submit a schedule showing the disposition of the released funds, separated by fund for each school district and technology center school, to the State Auditor and Inspector. The State Auditor and Inspector shall certify the apportionment schedule and transmit a copy to

Figure 12-1. OTC Form 990 (Continued)

the State Superintendent of Public Instruction and the Director of the Oklahoma Department of Career and Technology Education.

4. The State Auditor and Inspector shall promulgate any necessary rules to implement the provisions of this subsection.

E. 1. In cases involving taxpayers other than railroads, air carriers, or public service corporations, if upon the final determination of any such appeal, the court shall find that the property was assessed at too great an amount, the board of equalization from whose order the appeal was taken shall certify the corrected valuation of the property of such taxpayers to the county assessor, in accordance with the decision of the court, and shall send a copy of such certificate to the county treasurer. Upon receipt of the corrected certificate of valuation, the county assessor shall compute and certify to the county treasurer the correct amount of taxes payable by the taxpayer. The difference between the amount paid and the correct amount payable, with accrued interest, shall be refunded by the treasurer to the taxpayer upon the taxpayer filing a proper verified claim therefor, and the remainder paid under protest, with accrued interest, shall be apportioned as provided by law.

2. If upon the final determination of any appeal, the court shall find that the property of the railroad, air carrier, or public service corporation was assessed at too great an amount, the State Board of Equalization from whose order the appeal was taken shall certify the corrected valuation of the property of the railroads, air carriers, and public service corporations to the State Auditor and Inspector in accordance with the decision of the court. Upon receipt of the corrected certificate of valuation, the State Auditor and Inspector shall certify to the county treasurer the correct valuation of the railroad, air carrier, or public service corporation and shall send a copy of the certificate to the county assessor, who shall make the correction as specified in Section 2871 of this title. The difference between the amount paid and the correct amount payable with accrued interest shall be refunded by the treasurer upon the taxpayer filing a proper verified claim, and the remainder paid under protest with accrued interest shall be apportioned according to law.

F. If an appeal is upon a question of valuation of the property, then the amount paid under protest by reason of the question of valuation being appealed shall be limited to the amount of taxes assessed against the property for the year in question less the amount of taxes which would be

payable by the taxpayer for that year if the valuation of the property asserted by the taxpayer in the appeal were determined by the court to be correct.

G. If an appeal is upon a question of assessment of the property, then the amount paid under protest by reason of the question of assessment being appealed shall be limited to the amount of taxes assessed against the property for the year in question less the amount of taxes which would be payable by the taxpayer for that year if the assessment of the property asserted by the taxpayer in the appeal was determined by the court to be correct.

Cite: 68 O.S. Sec. 2884

Figure 12-1. OTC Form 990 (Continued)

NOTE:

Most protests will not be mailed until the end of December, so as long as it is postmarked before the penalty date and the treasurer has scanned the envelope to prove that the protest is properly filed.

Issuing Refunds for a Tax Protest - No Appeal is Provided by Law

When the Court Decides against the Taxpayer

If the court decides that the tax assessment will remain unchanged, the county treasurer receives a court order to apportion the tax payment and any accrued interest. The county treasurer must then apportion the tax payment and the interest as if the tax was not paid under protest.

68 O.S. § 2884
68 O.S. § 2886

When the Court Decides in Favor of the Taxpayer

If the court decides that the tax assessment is too high, the county treasurer receives an order from the court that must be followed.

The county treasurer refunds the excess tax payment plus any accrued interest to the taxpayer by issuing a cash voucher claim to the county clerk who will respond with a cash voucher against the money held in the protest fund.

19 O.S. § 691
19 O.S. § 692
19 O.S. § 693

NOTE:

The IRS requires that the county treasurer issue 1099INT forms for any interest of Six Hundred Dollars (\$600.00) or more paid to the taxpayer.

68 O.S. § 2884

The county treasurer then apportions all remaining funds plus any accrued interest for that payment as if they had not been paid under protest.

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Chapter Thirteen

Duties of the County Treasurer: Collecting Real Estate Mortgage Taxes

Understanding Real Estate Mortgage Taxes

A real estate mortgage tax is charged on every type of conveyance (document of property transfer) issued for the purpose of collecting money as a lien against real estate. [SA&I Form No. 146](#) (or its automated equivalent) is used to write a receipt for real estate mortgage taxes.

68 O.S. § 1901

A real estate mortgage is usually a special document written for a particular sales transaction. Any contract written for the sale of real property (land and buildings) in which the seller retains the title to the property while the buyer pays the balance due is considered a mortgage under Oklahoma law.

68 O.S. § 1904(C)
68 O.S. § 1904

The mortgagor, the mortgagee, or any other interested party may pay the mortgage tax. [SA&I Form No. 443, Mortgage Tax Information](#) or its automated equivalent, must accompany any mortgage document presented to the county treasurer for payment of the mortgage registration tax.

74 O.S. § 214

The Mortgage Tax Information form must include the following information:

- The mortgagor's name

- The mortgagee’s name
- The mortgage date
- The mortgage maturity date
- The amount that is secured by the mortgage
- A description of the property for which the mortgage is secured

This form must be retained in the county treasurer’s office and must become a part of the same record as the mortgage tax receipt by attaching them together.

The real estate mortgage tax must be paid before the county clerk can record the mortgage or before any court judgment or final order can be made regarding the mortgage.

68 O.S. § 1907

Computing Real Estate Mortgage Taxes

Table 13-1 shows the mortgage tax rates listed in the Oklahoma Statutes. A tax is charged for each \$100.00 and each remaining fraction of \$100.00. For example, the mortgage tax on a 30-year mortgage would be computed in the following way:

68 O.S. § 1904

AG Opinion
February 16th, 1965

$$\$41,540/100 = 415.4 \text{ or } 416 \times .10 = \$41.60$$

Table 13-4. Oklahoma Mortgage Tax Rates

Term of the Mortgage	Rate per \$100.00
5 years or more	\$00.10
4 years and less than 5 years	\$00.08
3 years and less than 4 years	\$00.06
2 years and less than 3 years	\$00.04
Less than 2 years	\$00.02
Less than \$100.00	\$00.10 (flat charge)
Mortgage on Demand	\$00.02

Mortgage Certification Fees

In addition to the mortgage taxes shown in Table 13-1, the county treasurer must also collect a \$5.00 mortgage certification fee on each mortgage presented for certification.

68 O.S. § 1904(B)

Supplemental or Additional Mortgages or Instruments

If supplemental instruments or mortgages, sometimes referred to as mortgage modifications, are recorded to correct or perfect a mortgage that is already recorded, the supplemental, or an assignment, is not subject to mortgage taxes unless it creates a new debt or increases the amount of the original recorded mortgage.

68 O.S. § 1905

Supplemental or additional mortgages or instruments are presented to the county treasurer for payment. Taxes are collected unless an affidavit is presented to the county treasurer similar to the one in [Figure 13-1](#). If the county treasurer receives an affidavit that indicates that no new debt or obligation is created, the county treasurer does not charge a mortgage fee or certification fee. The county treasurer stamps the instrument “No Mortgage Tax Due” and returns the instrument to the county clerk for filing. The county treasurer does not place any certification on this instrument.

Mortgages for Indefinite Amounts

If the maximum amount of the mortgage is not stated in the mortgage, the county treasurer can have the owner file a sworn statement that indicates the amount secured by the mortgage and collect taxes according to that amount.

68 O.S. § 1906

If the maximum amount of the mortgage is not stated in the mortgage or in a sworn statement, the county treasurer may require either the mortgagor or mortgagee to furnish proofs of value and keep those proofs on file.

Corporate Mortgages

Mortgages made by corporations in trust to secure payment of bonds or obligations issued, or to be issued, are subject to the real estate mortgage tax.

68 O.S. § 1908

AFFIDAVIT OF _____

STATE OF OKLAHOMA

COUNTY OF _____

I, _____, being of legal age, do on my oath depose and state as follows:

1. That I am the duly authorized agent for filing the instrument entitled _____, a copy of which is attached hereto.

That no mortgage tax or certification fee is due because the attached instrument is presented for the purpose of correcting or perfecting the previously recorded mortgage or, is presented for the purpose of imposing the lien thereof upon property not originally covered by the recorded primary mortgage for the purpose of securing the principal indebtedness which is secured by such recorded primary mortgage, and; the instrument does not create or secure a new or further indebtedness or obligation other than the principal indebtedness or obligation secured by the recorded primary mortgage.

FURTHER AFFIANT SAYETH NOT.

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

 Notary Public

My Commission expires: _____

Figure 13-1. Sample Affidavit for Supplemental Instruments or Mortgages

Additional Mortgage Amounts

In some cases, the total amount of the principal indebtedness may not be advanced at the time the mortgage is recorded. The mortgage may contain a statement of the amount actually advanced, and taxes are computed on that amount. When additional amounts are advanced under the original mortgage, the corporation making the mortgage must file a statement regarding the additional amount with the county treasurer's office and pay the additional tax. The additional payment must be noted on the margin of the mortgage record and, if requested, a receipt provided to the taxpayer.

Annual Statement

Corporations providing additional mortgages must file an annual statement with the county treasurer's office within thirty days after July 1, which lists the amount advanced on each mortgage as of June 30. These statements must be filed until the maximum amount of the mortgage has been advanced.

Exemptions

Certain instruments are exempt from the mortgage tax under very specific conditions. A mortgage or deed of trust that secures the payment of bonds issued by any domestic railroad, transportation, transmission, or industrial corporation is exempt if the money from the bonds is used for building or improving property which is subject to the local county ad valorem taxes.

The county clerk collects a nominal recording fee for these instruments according to the fees shown in [Table 13-2](#).

Table 13-5. Recording Fees for Corporate Mortgages

68 O.S. § 1908

Item	Fee
Each item	\$0.25
Each additional page	\$0.10
Indexing and recorders certificates	\$0.50

68 O.S. § 1909

Property in More than One County

If a real estate mortgage covers property in more than one county within Oklahoma, the county treasurer in the county where the mortgage is filed collects the mortgage tax. That county treasurer then apportions the tax collected among the counties involved in proportion to the assessed value of the property within each county. The mortgagee should furnish a sworn affidavit clarifying the correct proportion required for each county.

68 O.S. § 1909

Property in More than One State

If a real estate mortgage covers property in states other than Oklahoma, a proportioned mortgage tax is levied based on the value of the property that is located in Oklahoma.

1986 AG 53

1995 AG 84

Exemptions from Mortgage Tax

Several government entities may be exempt from paying mortgage tax such as the following examples:

- Federal Stock Land Bank
- Reconstruction Finance Corporation
- Corporations wholly owned by the Federal Government

- Federal Reserve Bank
- Federal Land Bank
- Homeowners Loan Corporation
- Rural Electric Cooperatives
- Oklahoma Industrial Finance Authority
- U. S. Small Business Administration
- Farm Services Agency
- Federal Credit Unions
- Federal National Mortgage Association

NOTE:

The county treasurer should keep a copy of the affidavit of exemptions in a convenient location in their office for ease of access.

68 O.S. § 1910

Before exempting any group or organization from paying mortgage taxes, the county treasurer should require that they provide a copy of the affidavit of exemption. For questions about possible exemptions, the county treasurer should contact the Office of the State Auditor and Inspector.

Apportioning the Mortgage Taxes and Fees

68 O.S. § 1904(b)

Mortgage Taxes

Each month the county treasurer must credit the common school fund of the county with all monies collected as mortgage tax and distribute these monies in the same way that all other common school monies are credited.

Mortgage Certification Fees

The \$5.00 mortgage certification fees collected are deposited in the County Treasurer’s Mortgage Certification Fee Account, a cash account, and may be used to cover legitimate office expenses.

Referencing Attorney General Opinions about Real Estate Mortgage Taxes

The following Attorney General Opinions may be helpful in computing and collecting real estate mortgage taxes:

- August 18, 1949 - Hays
Where additional mortgage does not increase or change principle indebtedness but merely adds property not described in or originally covered by the primary mortgage, then the additional mortgage is not subject to mortgage tax.
- September 14, 1950 - Field
Mortgage tax is not a tax on the mortgage but an excise tax upon the privilege of having the mortgage registered or recorded. For a mortgage that secures payment of an installment note, tax is computed on the maturity date of the last installment.
- November 15, 1963 - Rogers - #514
Real estate mortgage executed to U.S. Small Business Administration is not subject to mortgage tax.
- April 6, 1964 - Harvey - #195
National Church Foundation bonds which secure mortgages on churches are subject to mortgage tax.
- October 23, 1964 - Vinzant - #364 and February 16, 1965 - Vincent - #116
To apply the mortgage tax to notes due on demand, use the tax rate indicated for “less than two years.”
- November 2, 1964 - Rogers - #382
Where real estate mortgage includes personal property, the mortgage tax must be charged on the value of both.

- June 2, 1966 - Pitchford - #235

When the due date is not specified on the mortgage, the county treasurer must assume that the due date or term is for a period of more than five years and should apply the appropriate mortgage rate unless evidence is submitted that shows the due date or term to be for a shorter period.

- February 9, 1965 - Monroe - #117

A mortgage on oil, gas and other minerals is not subject to mortgage tax.

- February 16, 1965 - Vincent - #116

The tax rate on Mortgage on demand is assessed at the rate of two cents (0.02) for each one hundred dollars valuation.

- April 13, 1967 - Rogers - #235

A mortgage to the Oklahoma Industrial Finance Authority is not subject to mortgage tax.

- August 8, 1968 - Murphy - #284

A foreign but domesticated corporation enjoys the same exemption provisions of [O.S. 68 § 1908](#) as a domestic corporation.

68 O.S. § 1908

- April 3, 1969 - Rogers - #68-351

Instruments under the UCC which qualify as equitable mortgages are subject to mortgage tax.

- November 21, 1972 - Fallis - #148

Mortgagees of an electric utility company qualify for exemption from real estate mortgage tax under the last sentence of [O.S. 68 § 1908](#) when that statute is otherwise applicable, because an electric utility corporation is an “industrial corporation.”

68 O.S. § 1908

- November 21, 1972 - #68-351

Agreements made in consideration of loans from a bank representing costs of improvements on certain described real property constitute mortgages on real estate which are subject to mortgage tax.

- April 7, 1976 - Rogers - #190

When a contract for sale or a contract for deed is made, duly recorded, and the mortgage tax paid in compliance with the statutes and the seller later conveys the same property and title to the purchaser by warranty deed, the mortgage is not subject to mortgage tax again when presented for filing and recording.

- November 19, 1974 - Rogers - #73-301

Mortgages on real property executed to the Indian Credit Association when presented for filing and recording are subject to mortgage tax.

MORTGAGE TAX INFORMATION

MORTGAGOR (Borrower):

MORTGAGEE (Lender):

DATE OF MORTGAGE: _____

MATURITY DATE:

AMOUNT OF MORTGAGE: _____

LEGAL DESCRIPTION or TREASURER'S ACCOUNT NO. _____

ASSEVERATION

I hereby validate that the facts and figures provided in the above mortgage tax information are true and correct, to the best of my knowledge.

_____, 20 _____

Signature of Mortgagee

This form must accompany any mortgage document presented to County Treasurer for payment of the Mortgage Registration Tax required by the provisions of 68 Okl.St. Ann. §1904. Failure to include this form may result in the delayed filing of your instruments. This form is not required on transactions that are deemed to be exempt from Mortgage Registration Tax.

Figure 13-2. Mortgage Tax Information Form

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Chapter Fourteen

Duties of the County Treasurer: Issuing Refunds

Issuing Refunds for Erroneous Tax Payments

Occasionally, errors can be made in tax payments for a variety of reasons such as the following situations:

- A mortgage holder pays taxes from an escrow account on the wrong property.
- The tax payment is misapplied in the county treasurer's office.
- An error was made in the property description.
- Changes are received from the board of tax roll corrections.

NOTE:

Under certain circumstances, the TM Consulting software can credit to the correct taxes. Contact TM Consulting for more information.

Cash Voucher Claim

Once the county treasurer verifies that a refund is required for a tax payment, a [cash voucher claim \(SA&I Form No. 270](#) or its automated equivalent) must be completed, which includes the following information:

- The tax receipt number
- The type of error made
- The account from which the refund is to be made

The Cash Voucher Claim, with the tax receipt attached, must be delivered to the county clerk who issues a [cash voucher, SA&I Form No. 1293](#) or its automated equivalent, to pay a cash voucher claim. The form is signed and registered by the county treasurer. The county clerk then returns the Cash Voucher Claim and tax receipt to the county treasurer's office where the bookkeeper should debit the appropriate fund and register the Cash Voucher Claim. The treasurer should retain copies of all documentation for all refunds.

Current Year Tax Payment Refunds

When issuing a refund for a tax payment made in the current year, the current tax collections account should be debited.

Previous Year Tax Payment Refunds

When issuing a refund for a tax payment made in a previous year, the tax account for that year should be debited. If no money is available in that year's tax account, the money is refunded from the resale property fund.

Issuing Refunds for Invalid Tax Resale

68 O.S. § 3137

The sale of property to recover delinquent taxes may be declared illegal for several reasons, including the following situations:

- No tax was due.
- Including the property in the sale has been held to be invalid by a court.
- The title of the property is vested in the commissioners of the land office.
- The property was not taxable at the time of the assessment.
- The sale was illegal for some other reason.

To refund a purchaser for an invalid tax sale, a Cash Voucher Claim must be filed with the county clerk, which authorizes a refund to be paid from the resale property fund. Before the purchaser can receive a refund, a Quit Claim Deed or other disclaimer, which explains the reason the tax deed is not valid, must be attached to the refund claim.

If monies have been appropriated to the general fund for the purpose of paying refunds, the refund can be authorized to be paid from the general fund.

Statute of Limitations on Refunds

Invalid Tax Resale

Purchasers at an invalid tax resale or commissioner's sale must file a claim for a refund within three years of the date of the sale. If a refund claim has not been paid from the resale property fund within three years, refunds can no longer be made from that fund.

68 O.S. § 3137

Issuing Refunds for Erroneous Tax Assessments

Complaints can be filed to the board of tax roll corrections concerning mistakes made in a property's tax assessment amount by the following people:

- The county assessor or county treasurer can file a complaint before the tax has been paid or has been attempted to be paid.
- Any person who verifies by affidavit that the tax assessment affects them in some way can also file a complaint. The affidavit must also show that the person is not at fault through failure to fulfill some lawful duty.

68 O.S. § 2871

68 O.S. § 2871

The statutes list seventeen errors as grounds for correction. The complaint form, [SA&I Form No. 348 \(front\), Complaint of Erroneous Assessment and Order of Correction](#), (or automated equivalents), should clearly state the appropriate reason for correcting the tax assessment.

The board of tax roll corrections' members are the chairman of the board of county commissioners, the chairman of the county equalization board, the county assessor, and the county clerk (as a non-voting member and secretary).

Any taxes that a protesting taxpayer owes will not become due until thirty days after the board of tax roll corrections makes a decision.

Board of Tax Roll Corrections

Corrections that Increase the Tax

When the board of tax roll corrections determines that correcting the error results in an increase in the tax assessment, the county clerk (serving as secretary to the board of tax

roll corrections) issues a Certificate of Error to the county assessor who then issues the county treasurer a certificate, [SA&I Form No. 348 \(back\)](#), [Order of Correction Board](#), and [Certificate of Error](#), (or automated equivalents), verifying the increase. The amount of the increase and the certificate number must be entered on the tax roll.

Corrections that Decrease the Tax when the Tax Has Not Been Paid

When the board of tax roll corrections determines that correcting the error results in a decrease in the tax assessment and the tax has not been paid, the county clerk issues a Certificate of Error to the county treasurer who then enters the amount “credited” and the certificate number on the tax roll.

Corrections that Decrease the Assessment when the Tax Has Been Paid

When the board of tax roll corrections determines that correcting the assessment error results in a decrease in the assessment and the tax has been paid, the taxpayer must file a cash voucher claim through the county clerk.

A certificate of error is issued by the board of tax roll corrections. The county treasurer designates to the county clerk which of the following funds should be debited for the refund.

- The current tax collections account where the payment was credited
- The protest fund if the taxes were paid under protest
- The resale property fund if the funds are not available in the current collections account or the protest fund

The procedure for redeeming a Cash Voucher Claim is the same as stated in the “[Cash Voucher Claims](#)” section of this chapter.

Statute of Limitations on Refunds for Erroneous Tax Assessments

To file a cash voucher claim for refund, a taxpayer must file an application for correction of error before the end of two years from the date the tax was paid.

19 O.S. § 247

To obtain a refund, the taxpayer must file the claim for refund within six months after the effective date of the order of correction.

Issuing Refunds for Clerical Errors

Upon receipt of [SA&I Form No. 368, County Assessor's Certificate of Clerical Error](#), or its automated equivalent from the county assessor, the county treasurer is authorized to make corrections for clerical errors only as specified in the Oklahoma Statutes. These errors do not involve valuations, assessments, or exemptions. Two kinds of clerical errors may decrease the amount of tax owed:

68 O.S. § 2874

- Duplicate assessments or two identical entries on the tax rolls
- Errors in transcribing from the assessment rolls to the tax rolls providing there is no indication that the original entry was altered

Upon receipt of a Certificate of Clerical Error from the county assessor that results in a decrease in the tax payment due, the county treasurer corrects the tax roll in the following manner:

- Correct the error on the tax roll.
- Enter opposite the property described the amount credited and the county assessors' certificate number.

Issuing Refunds for Protest Payments

Please refer to "[Issuing Refunds for Protested Property Valuation Tax Payments](#)" in Chapter Twelve, "Duties of the County Treasurer: Collecting Protested Taxes," in this handbook for guidelines on issuing refunds for protest taxes collected for property valuation, tax levies, or payments where no appeal is provided by law, when the court decides in favor of the taxpayer.

Subscribed and sworn to before me this date of:

County Clerk: _____ Audited and approved for _____

By Deputy: _____

NOTICE: This form is to be used in making claims for those accounts specifically authorized as a cash voucher account, not subject to Board of County Commissioners' Approval.

Print Claim

Clear Form

Figure 14-1. SA&I Form 270 (Continued)

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Chapter Fifteen

Duties of the County Treasurer: Disbursing Appropriated Funds

Before any monies administered by the county treasurer can be disbursed, the county clerk, acting on an order from the board of county commissioners, must issue a warrant. The warrant must be signed by the board of county commissioners' chairman, attested to by the county clerk, and registered and signed by the county treasurer who certifies whether funds are available to pay the warrant.

If the county treasurer is acting as treasurer for any other county entity, a warrant must be signed by the appropriate governing body to disburse funds for that entity.

Any board of county commissioners can issue a negotiable instrument that serves as both a warrant on the county treasury and a check ordering payment of the warranted amount. The printing on the instrument must indicate that it is both a warrant and a check.

NOTE:

This method is not recommended for counties that issue non-payable warrants.

Issuing and Registering Warrants

Each warrant must be drawn against a specific appropriation or a specific amount authorized by a bond issue. As soon as a warrant is prepared by an authorized officer, it must be signed by the board of county commissioners.

The warrants must be issued, drawn, and recorded in the numerical order issued on each fund. Each fiscal year the numerical order should begin with the number one for each fund

19 O.S. § 347(B)
19 O.S. § 623
62 O.S. § 471(A)
62 O.S. § 471(B)

62 O.S. § 474

and increase in increments of one. The warrant should also indicate the fiscal year in which it is prepared.

62 O.S. § 472
62 O.S. § 475

Warrant Register

The county treasurer must register all warrants in a record kept solely for that purpose (SA&I Form No. 185 or its automated equivalent), and must record the following information:

- Instrument number
- Date
- Name of payee
- Fund from which monies are drawn
- Amount of the warrant
- Date of registration
- Treasurer's name and official title
- Statement of whether funds are available or not available

All warrants must be registered in the numerical order in which they are issued on each fund. After registering the warrants, the county treasurer then returns them to the county clerk.

62 O.S. § 475

The county treasurer and the county clerk must both maintain warrant registers as a precaution against fraudulent use of funds. The information in both registers must match at all times.

19 O.S. § 250

Figure 15-1 contains a flowchart that shows the warrant registration process.

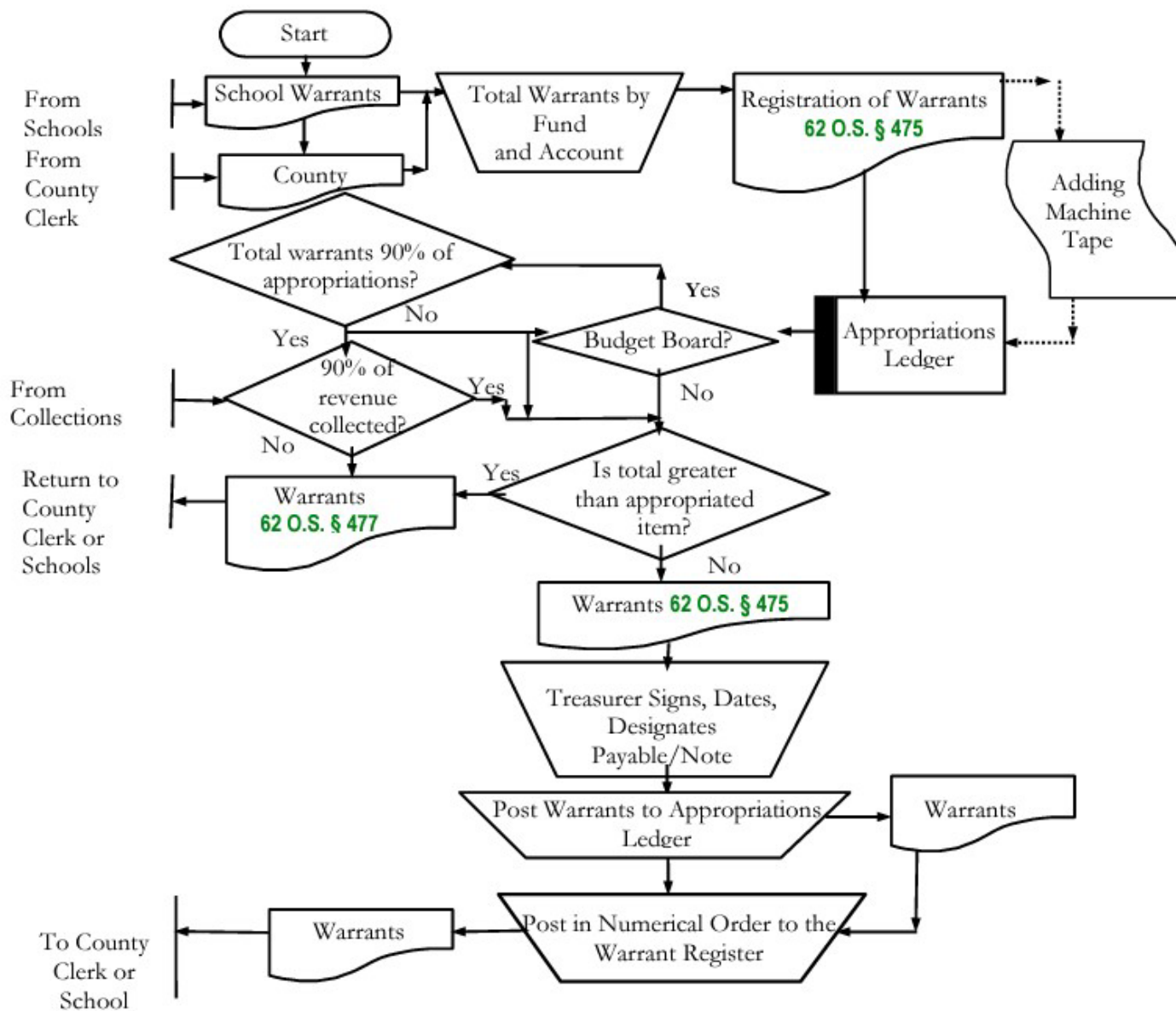


Figure 15-1. The Warrant Registration Process

Payment Register

When warrants are paid, the following information should be entered into the payment register ([SA&I Form No. 2211](#) or its automated equivalent):

19 O.S. § 633

- The date the warrant is paid and canceled
- Who submitted the warrant
- The warrant number
- The amount for which it was originally drawn
- Any allowed interest
- The total amount paid on each group of warrants bearing the same registration date and presented for payment on the same date

Paying Warrants That Are Not Also Checks

Determining Available Funds

When presented with a warrant to be registered for payment, the county treasurer determines if adequate monies are available in the fund, completes the “pay/non-pay” line on the face of the warrant, and dates and signs the warrant. After a payable or non-payable warrant has gone through the normal process of being issued to the payee, it is presented to the county treasurer by the county’s depository routing bank or to an individual for actual payment.

62 O.S. § 551

The county treasurer must pay warrants with a county treasurer’s check, [SA&I Form No. 115](#) or its automated equivalent. Upon payment, the county treasurer then records the information in the payment register

Handling Non-Payable Warrants

If funds are not available to pay a warrant, the county treasurer, when registering the warrant, must indicate on the face of the warrant the rate of interest to be paid and must write the following information on the back of the warrant:

62 O.S. 552

- The words, “not paid for want of funds”
- The number of the entry in the warrant register
- The date
- The county treasurer’s signature

62 O.S. § 552

The following information should then be recorded in the warrant register:

- The warrant number
- Amount of the warrant
- Date drawn
- The fund on which the warrant is drawn
- Who will receive the funds
- The date when presented for payment

62 O.S. § 475
62 O.S. § 498.1

Warrants for which funds are not available when registered earn interest at a rate fixed by the governing board (not to exceed 10% per year).

NOTE:

The IRS requires county treasurers to issue 1099INT forms for any interest paid of Six Hundred Dollars (\$600.00) or more.

Handling Funds for Unpaid Warrants

The county treasurer must set aside monies, as they become available, in a fund to pay warrants or orders registered as not paid. Then, the county treasurer must call for these warrants by publishing a notice in a newspaper of general circulation in the county or by posting a printed or written notice in five or more public places. These calls should be published at least every sixty days and include the following information:

62 O.S. § 553
62 O.S. § 475

- Notice that money is available to pay warrants

- The warrant numbers and the funds on which they are drawn
- Request that the warrants be presented for payment and cancellation

The interest accumulating on warrants that are called will cease thirty days from the date of publication.

NOTE:

Arrangements may be made with appropriate banks to facilitate holding of such warrants and for notification of a warrant call.

62 O.S. § 475

If the warrants being called are for a school district and the county treasurer is serving as treasurer of that school district, call notices should be published in a newspaper of general circulation or posted (printed or written) in five or more public places in the school district.

Handling Unredeemed Warrants or Vouchers

62 O.S. § 482

62 O.S. § 488

All warrants issued in payment of obligations of counties, townships, school districts, cities and towns, and other county entities become due one year after the close of the fiscal year in which the warrant is issued. Unless action is taken to redeem the warrant before the year ends, the warrant is canceled. The cancelled amount must be credited to the fund on which it was drawn, and the cancellation must be recorded in the warrant and payment registers.

[Treasurer Form No. 355](#), Memorandum of Credit, would be used to record these warrants or vouchers.

Paying Vouchers

Official Vouchers

19 O.S. § 681

19 O.S. § 682

19 O.S. § 683

19 O.S. § 684

On or before the second Monday following the close of the calendar month, county treasurers must distribute all monies collected for various funds under their administration according to official vouchers received from the officer, board, or commission for that fund. These vouchers must be presented for the county treasurer to sign, register in numerical order in the voucher register, and designate on the voucher the bank from which the voucher will be paid.

[Figure 15-2](#) contains a flow chart that shows the procedure for handling official vouchers.

Cash Vouchers

19 O.S. § 691

The county treasurer receives cash vouchers only from the county clerk. They are issued for payment of a refund due or for payment from a statutory designated fund. The county clerk issues a cash voucher after receiving a cash voucher claim from the county officer responsible for the fund against which the cash voucher is drawn.

The county clerk presents the cash voucher to the county treasurer for registration in the warrant register. Once the claimant cashes the voucher, the bank submits the cash voucher to the county treasurer for redemption, who then writes a treasurer's check in the amount of the cash voucher and debits the fund on which the voucher was drawn.

Some county treasurers may choose to redeem the cash voucher directly from the claimant.

[Figure 15-3](#) contains a flow chart that shows the procedure for handling cash vouchers.

Start

Daily deposits
from each
county officer
(SA&I 195)

End of day: county treasurer records
registered vouchers in “Official
Depository Ledger” by depository
account

County treasurer records
in “Official Depository
Register-Deposits
Received” (SA&I 2561)

Voucher presented
to bank at which
official depository
account
is maintained

County treasurer
deposits in official
depository account
(SA&I 196)

Vouchers are paid from
county treasurer
depository account and
returned to county
treasurer to be reconciled
with official depository
ledger (SA&I 259)

County treasurer records in
“Official Depository
Ledger” by county officers
account
(SA&I 257)

End of Month: county
treasurer develops
“Monthly
Report by Treasurer
to Depositors” (SA&I
258)

Vouchers issued by various county officers are registered by the treasurer in the “Official Depository Register-- Vouchers for
Withdrawal of
Funds” (SA&I 2562)

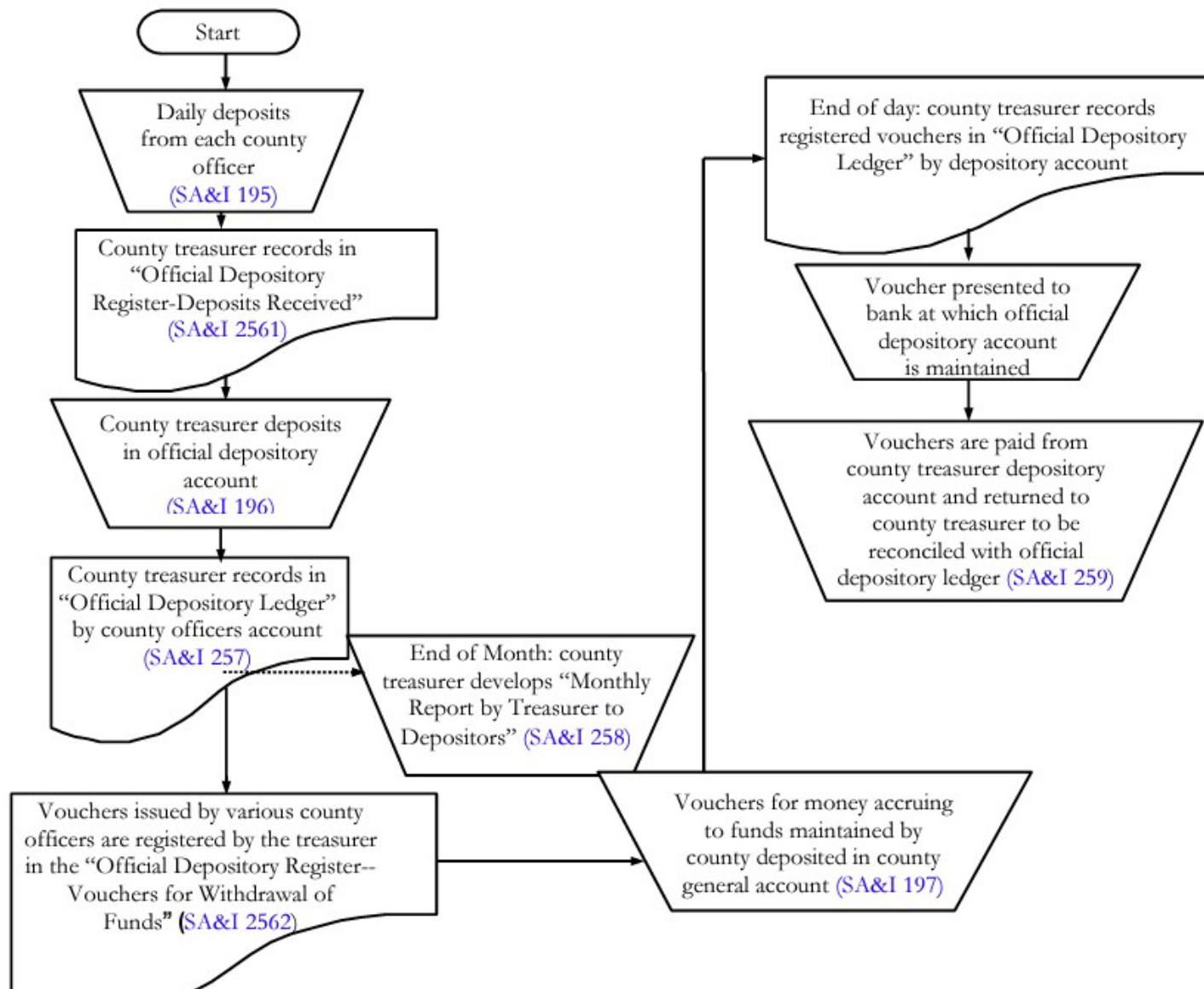


Figure 15-2. Procedure for Handling Official Vouchers

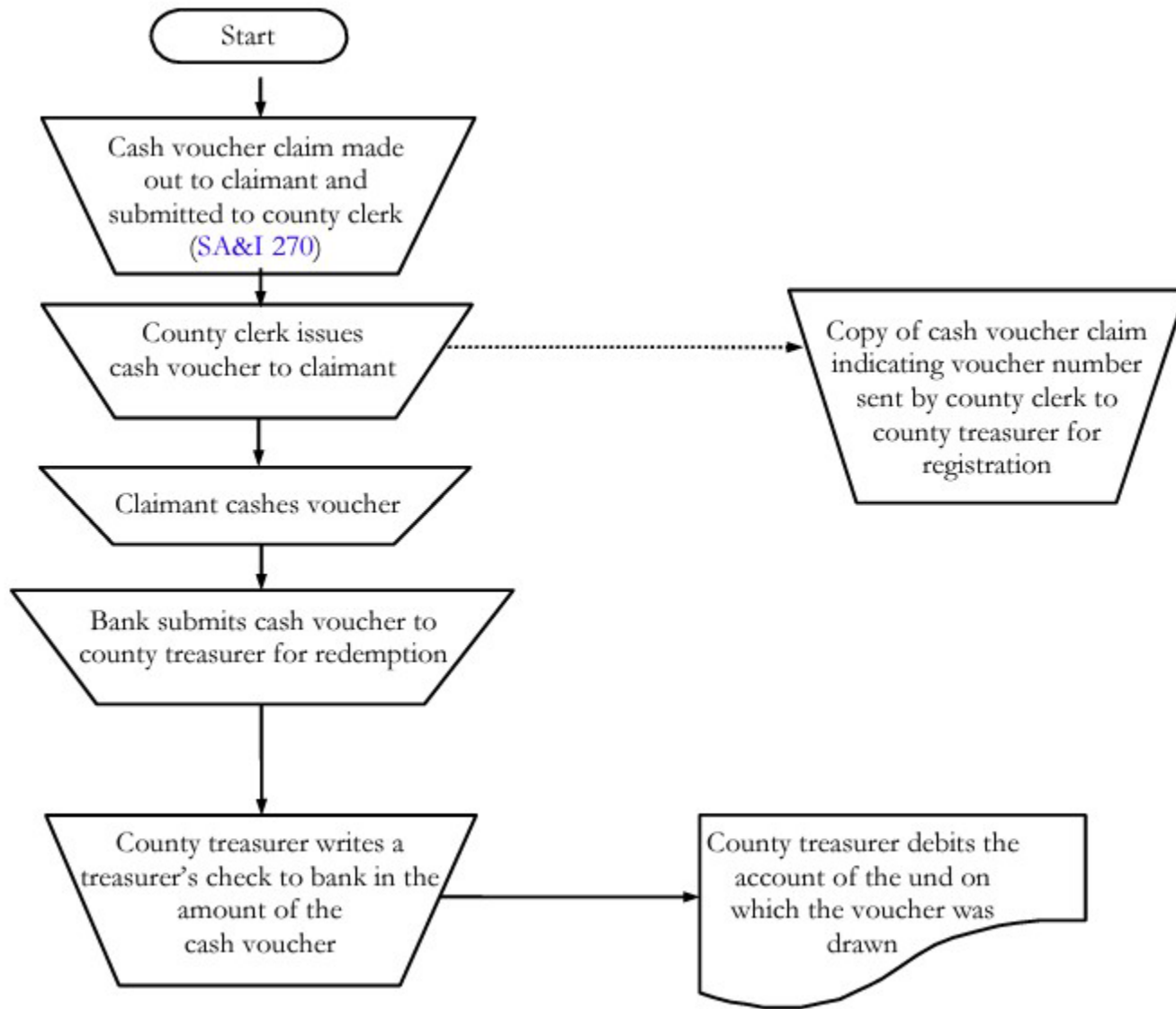


Figure 15-3. Procedure for Handling Cash Vouchers

Replacing Lost or Destroyed Warrants or Vouchers

62 O.S. § 555

If a warrant or voucher is lost or destroyed, the county clerk issues a duplicate on [SA&I Form No. 176](#) or its automated equivalent. An affidavit that states how the warrant was lost or destroyed together with an indemnifying bond running to the county treasurer for double the amount of the warrant must be filed with the county clerk. The county treasurer and the county clerk must keep records on all lost or destroyed warrants to avoid loss of county funds due to the issue of a duplicate.

If issuing a stop payment at the bank for a lost or destroyed warrant, the county treasurer should be aware that there may be time limitations on stop payments (some are good for only six months) and check with their bank for that bank's policy.

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Chapter Sixteen

Duties of the County Treasurer: Investing and Safekeeping of County Monies

At any given time, the county treasurer may have custody of a substantial amount of county monies that are not needed to meet current obligations. A highly recommended good practice it that county treasurers should regularly review all funds under their control to determine the following factors:

- The date funds will be needed for their intended purposes
- Whether that date is sufficiently far enough in the future to allow for the beneficial investment of these funds

If investment of funds would be beneficial, the county treasurer, when authorized, should invest these funds in authorized, prudent investments such as certificates of deposit (CD). Otherwise, monies should at least be deposited in interest-bearing bank accounts.

This chapter contains guidelines for investing county monies that are not immediately needed to meet current obligations and for maintaining proper insurance, collateral, or surety for county funds.

NOTE:

When considering investments, the county treasurer should ensure that some of the

62 O.S. § 348.1
62 O.S. § 348.3
62 O.S. §541

investments are easily liquidated in case liquidation is necessary to meet obligations.

Cash balances in banks, savings and loan associations, or other financial institutions should be monitored closely to ensure that proper collateral is secured for any amounts that exceed the amount insured by the Federal Deposit Insurance Corporation (FDIC) or other similar insurance on deposits. The county treasurer is responsible for approving collateral pledged against deposits. In the event of the institution's failure, the county treasurer must take possession (in coordination with FDIC) of the securities that were pledged. The securities will be sold and the sale proceeds should restore the public funds that were held by the bank.

62 O.S. § 511

When public deposits are made in accordance with the Security for Local Public Deposits Act in the Oklahoma Statutes, the county treasurer is not liable for any loss that results from the default or insolvency of a public depository, provided no negligence or illegal activity occurs on the part of the county treasurer.

62 O.S. § 517.7

Obtaining and maintaining proper collateral is addressed at the end of this chapter. The first part of the chapter deals with investing county funds.

Receiving Authorization to Invest Monies

Written Investment Policy, Ordinance, or Resolution

Before any county monies can be invested, the board of county commissioners must issue a written investment policy, ordinance, or resolution. The county treasurer is authorized to invest monies through this policy, ordinance, or resolution.

62 O.S. § 348.1

62 O.S. § 541

Authorized Investments

The following investments are authorized investments that are included in the policy, ordinance, or resolution:

1. Direct obligations of the United States government, its agencies, or instrumentalities, to the payment of which the full faith and credit of the Government of the United States is pledged, or obligations to the payment of which the full faith and credit of this state is pledged.

2. Collateralized or insured Certificates of Deposits (CDs) of savings and loan associations, banks, savings banks, and credit unions located in this state, or fully insured certificates of deposit at banks, savings banks, savings and loan associations and credit unions located out-of-state.

NOTE:

County treasurers should be aware of the Certificate of Deposit Account Registry Service (CDARS), a service that enables banks to provide customers with FDIC- insured certificates of deposit through the CDARS network. IntraFi Cash Service (ICS) is a similar service.

Example:

In CDARS, when a customer deposits a sum of money greater than Two Hundred Forty Two Thousand Five Hundred Dollars (\$242,500.00) the excess funds are placed into certificates of deposit issued by other banks in the network. This process allows bank customers to access up to \$50 million in FDIC protection by working with just one bank. Go to the [FDIC website](#) for more information.

3. Savings accounts or savings certificates of savings and loan associations, banks, and credit unions, to the extent that the accounts or certificates are fully insured by the Federal Deposit Insurance Corporation.
4. Investments as authorized by Section 348.3 of this title which are fully collateralized in investments specified in paragraphs 1 through 3 of this section, and where the collateral has been deposited with a trustee or custodian bank in an irrevocable trust or escrow account established for such purposes.
5. County, municipal, or school district direct debt obligation for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgments against such county, municipality, or school district ordered by a court of record or bonds or bond and revenue anticipation notes issued by a public trust for which the county, municipality, or school district is a beneficiary thereof. All collateral pledged to secure public funds shall be valued at no more than market value. The income received from that investment may be placed in the general fund of the governmental subdivision to be used for general governmental operations, the sinking fund, the building fund, or the fund from which the investment was made.

6. Qualified pooled investment programs: (These programs contain the investments specified in paragraphs 1 through 5 of this section.) To qualify, a pooled investment program for county funds, or for city or town funds, or a combination thereof must be governed through an interlocal cooperative agreement formed pursuant to Sections 1001 through 1008 of Title 74 of the Oklahoma Statutes. Prior to participating in a qualified pooled investment program, the governing body of such county, city or town must authorize participation through its written investment policy.

Written Investment Policies

In place of an investment resolution, the board of county commissioners of a county may adopt a written investment policy directing the investment of the funds of the county and any of its public trusts or authorities. If such a policy is adopted by the governing board of county commissioners, all funds shall be invested pursuant to the provisions of the policy. The written policy shall address liquidity, diversification, safety of principal, yield, maturity and quality, and capability of investment management, with primary emphasis on safety and liquidity. To the extent practicable, taking into account the need to use sound investment judgment, the written investment policies shall include provision for utilization of a system of competitive bidding in the investment of municipal funds. The system shall be designed to maximize yield within each class of investment instrument, consistent with the safety of the funds invested.

62 O.S. § 348.3

The written investment policy may authorize the county treasurer or the qualified pooled investment program to purchase and invest in any or all of the following (in addition to those listed in section 348.1):

1. Obligations of the United States government, its agencies, and instrumentalities;
2. Collateralized or insured Certificates of Deposit (CD's) and other evidence of deposit at banks, savings banks, savings and loan associations and credit unions located in this state, or fully insured Certificates of Deposit at banks, savings banks, savings and loan associations, and credit unions located out of state;
3. Negotiable Certificates of Deposit issued by a nationally or state-chartered bank, a savings bank, a savings and loan association or a state-licensed branch of a foreign bank;

Purchases of negotiable Certificates of Deposit shall not exceed ten percent (10%) of the surplus funds of the county which may be invested pursuant to this section. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one financial institution specified in this paragraph;

4. Prime banker's acceptances which are eligible for purchase by the Federal Reserve System and which do not exceed two hundred seventy (270) days' maturity. Purchases of prime banker's acceptances shall not exceed ten percent (10%) of the surplus funds of the city or county which may be invested pursuant to this section. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one commercial bank pursuant to this paragraph;
5. Prime commercial paper which shall not have a maturity that exceeds one hundred eighty (180) days nor represent more than ten percent (10%) of the outstanding paper of an issuing corporation. Purchases of prime commercial paper shall not exceed seven and one-half percent (7.5%) of the surplus funds of the city or county which may be invested pursuant to this section;
6. Repurchase agreements that have underlying collateral consisting of those items specified in paragraphs 1 through 5 of this subsection; and
7. Money market funds regulated by the Securities and Exchange Commission and which investments consist of those items and those restrictions specified in paragraphs 1 through 6 of this subsection.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

62 O.S. § 348.1
62 O.S. § 517.3

Investing School District Funds

County treasurers serving as treasurers of any school districts in their county can invest monies from these school districts in securities specified by Oklahoma law and the school board investment policy. Each month school boards are required to set aside funds for an operating account and for an investment account.

70 O.S. § 5-114
70 O.S. § 5-115

When acting as treasurer of a school district, the county treasurer must prepare and submit a written report of the district's finances and produce that report when required at any meeting of a school board.

70 O.S. § 5-115(C)

County treasurers, when acting as the treasurer of a school district, may be required to complete an investment education program approved by the State Board of Education and the State Board of Career and Technology Education.

Investing Monies for Other Entities

19 O.S. § 645
62 O.S. § 348.1
62 O.S. § 348.3

When county treasurers serve as treasurers of an incorporated city or town or other governmental entity, the governing bodies of these entities must issue a resolution, ordinance, or policy that authorizes investment of funds before investments can be made.

Liquidating Investments and Apportioning the Interest

When the governing board that approved the investment of county monies determines that these monies are needed for their intended purpose, the statute says they may direct, by resolution, the liquidation of the investment and the placement of the interest income received in one of the following funds:

62 O.S. § 348.1
19 O.S. § 339

- The general fund of the governmental subdivision to be used for general governmental operations
- The fund from which the investment was initially made
- The building fund
- The sinking fund

NOTE:

Even though the statutes give the governing board the right to direct placement of interest earnings, Attorney General Opinion 93-32 declares that, based on constitutional law, interest should be apportioned to the fund whose principal earned the interest income. However, there is one exception: the board of county

62 O.S. § 348.1
1993 AG 32
Oklahoma Constitution
Article 10, Section 19

commissioners does have the authority to deposit interest income from highway funds into the county general fund because this is explicitly stated in statute.

62 O.S. § 544
62 O.S. § 348.1(5)
70 O.S. § 5-115.1

On or before the last day of each month, all interest earned and collected must be apportioned and credited to the appropriate fund.

Maintaining an Investment Ledger

The County Treasurer must keep an investment ledger and make an entry for all investments made. The ledger should contain the following information:

- The purchase date
- Description and principal amount paid for each investment purchased
- The Treasurer's Check number if issued for the investment, or other form of certification or confirmation such as wire confirmation number or direct debit number
- The fund from which it was invested
- SA&I Form 322, County Treasurer's Investment Record, or its automated equivalent can be used to record all investments and activities of those investments. Figure 16-2 contains a sample computerized investment ledger (located at the end of the chapter).
- When an investment is liquidated, the date and principal amount received for each investment should also be posted along with the miscellaneous receipt number issued for interest.

Safekeeping of Funds through Proper Collateral, Insurance, or Surety

The Oklahoma Statutes require that county treasurers receive collateral from financial institutions in which they keep county monies whenever the balance exceeds the amount insured by the Federal Deposit Insurance Corporation (FDIC) or similar insurance on deposits. If a bank defaults, the county treasurer can then seize the collateral and recover all public funds.

Most county treasurers keep the majority of county funds in checking accounts, money market accounts, and certificates of deposits. The FDIC insures county accounts in any given bank (who is a member of FDIC) up to a maximum of Two Hundred Fifty Thousand Dollars (\$250,000.00) for demand deposits and another maximum of Two Hundred Fifty Thousand Dollars (\$250,000.00) for time and savings deposits. Demand deposits are basically checking accounts. Time and savings deposits include NOW (negotiable order of withdrawal) and money market deposit accounts. A treasurer can potentially have up to Five Hundred Thousand Dollars (\$500,000.00) in FDIC insurance at each bank being used for county funds. (See the FDIC website “[Deposit Insurance for Accounts Held by Government Depositors.](#)”)

62 O.S. § 511
62 O.S. §§ 517.4-517.7

WARNING:

County treasurers should understand that FDIC or any similar insurance for deposits can create a false security. For example, “branch banks” are not considered separate banks by the FDIC. Several accounts in branches of the same bank are insured only if the sum of all accounts is less than the maximum insurance. Therefore, all deposits and investments in a given bank that are in excess of the maximum insurance must be protected by collateral.

State law requires that county funds exceeding the FDIC insurance amount be backed by certain types of bank collateral. This collateral protects taxpayers’ monies in the event a bank defaults or becomes bankrupt. Care must be taken to ensure that a bank is financially sound, the collateral is of sufficient quality, and the amount of county money deposited or invested at a bank does not exceed the market value of pledged collateral.

62 O.S. § 511
62 O.S. § 513

The county treasurer must prepare a [Pledge Agreement for Public Funds Held on Deposit \(Oklahoma State Treasurer \[OST\] form 2001-1\)](#), or a [Tri-Party Public Deposit Pledge and Custody Agreement \(OST Form 2001-2\)](#) in addition to a [Certificate of Adoption of Resolution \(OST Form 2001-3\)](#) to be signed by the county treasurer and bank officials for any collateral pledged against deposits. The State Treasurer’s website has these forms and three others: Certification of Removal and/or Appointment of Duly Authorized Bank Officers (OST 2001-4), Collateral Securities Pledge – Public Entity (2001-5), and Collateral Instruments Pledge – Public Entity (2001-6). The State Treasurer’s website also has a contact person for questions about these forms.

Statutory Collateral and Surety Bonds

62 O.S. §§ 517.1 ~ 517.7

Securities acceptable as collateral are prescribed by law. The county treasurer can accept as collateral only those securities and instruments listed under the Security for Local Public Deposits Act. The county treasurer can establish standards that restrict any types or classes of securities or instruments listed. In other words, the county treasurer may establish stricter standards of acceptable collateral for their county.

Collateral other than letters of credit or surety bonds must be limited to negotiable instruments, payable to the bearer, or certified registered public obligation bonds or registered public obligation. The county treasurer may select from the following items:

- Obligations, including letters of credit, of the United States government, its agencies, and instrumentalities;
- Obligations of the state of Oklahoma or of a county, municipality, or school district of Oklahoma;
- General obligation bonds of any other state of the United States;
- A surety bond if it meets the four conditions set out in the statutes

62 O.S. § 517.4 ~ 517.7

United States government obligations include U.S. Treasury securities, which are considered to be the most credit worthy securities in the nation. They are virtually free of credit or default risk. Securities issued by the state of Oklahoma and local governments in Oklahoma should typically be of low risk also. The same should be true of general obligation bonds of other states.

To judge the relative risk of various state and local government securities, county treasurers should consult ratings provided by Moody's or Standard and Poors. Moody's assigns bond ratings to securities based on the issuing entity's financial health and its ability to pay off its debt. Ratings range from AAA (best quality securities) to C (poor quality investment). Standard and Poor's ratings range from AAA (best rating) to D (poorest rating).

Securities of relatively small local governments may not have a rating and may not be listed in financial publications. A recommended good practice is for county treasurers to consult a report published by the Municipal Rating Committee of Oklahoma, Inc. for ratings on local government securities.

Another good resource, provided by the Municipal Securities Rulemaking Board, is [Electronic Municipal Market Access](#) which contains in-depth information about most securities issued by government entities.

[Figure 16-1](#) contains a sample computerized ledger showing collateral pledge records.



Pledges By Pledgee and Maturity

Exchange Bank & Trust - Perry, OK

As Of 7/31/2023

Receipt#	CUSIP	ASC 320	Description	Pool/Type	Moody	Original Face	Original Face	Pledged		
Safekeeping Location			Maturity	Coupon	S&P	Pledged Percent		Par	Book Value	Market Value
BANK: BANKERS BANK	256534ER5	AFS	DODGELAND WI SCH DIST WI 2	3.00	AA-	100.00%	790,000.00	790,000.00	845,536.67	788,562.20
BANK: BANKERS BANK	021537EG6	AFS	ALTO TX ISO TX 31	4.00	AAA	100.00%	590,000.00	590,000.00	669,785.35	622,585.70
BANK: BANKERS BANK	119535NP3	AFS	BUFFALO GROVE VLG IL 31	3.00	AAA	100.00%	600,000.00	600,000.00	629,677.42	604,632.00
BANK: BANKERS BANK	83162CUR2	AFS	SBAP 2012 20C 1 (>10Yr-Real Est	2.51		100.00%	3,100,000.00	495,089.11	517,437.02	458,833.24
BANK: BANKERS BANK	011415RM0	AFS	ALAMO CMNTY CLG REF TX 33	4.00	AAA	100.00%	1,300,000.00	1,300,000.00	1,359,279.84	1,350,609.00
BANK: BANKERS BANK	349461BK8	AFS	FORT WORTH ISO A TX 34	4.00	AAA	100.00%	1,295,000.00	1,295,000.00	1,559,544.32	1,378,838.30
BANK: BANKERS BANK	244127V86	AFS	DEER PK ISO TX 34	4.00	AAA	100.00%	1,145,000.00	1,145,000.00	1,368,196.99	1,220,226.50
BANK: BANKERS BANK	3138EN4Y2	AFS	FNMA 20YR	AL6238		100.00%	1,855,000.00	414,287.43	444,339.24	404,782.06
BANK: BANKERS BANK	2488664R3	AFS	DENTON - CTFS OBLIG TX 36	3.00	AA+	100.00%	725,000.00	725,000.00	735,112.81	664,150.75
BANK: BANKERS BANK	3140XBBF6	AFS	FNMA 15YR	FM7237		100.00%	500,000.00	368,946.29	388,674.57	338,629.97
BANK: BANKERS BANK	3140QKLX4	AFS	FNMA 15YR	CB0341		100.00%	1,000,000.00	819,525.65	863,272.47	750,967.60
BANK: BANKERS BANK	613900LG2	AFS	MONTGOMERY CO MUD #9 TX	2.38	AA	100.00%	560,000.00	560,000.00	567,841.61	454,456.80
BANK: BANKERS BANK	4941347Y9	AFS	KILLEEN-REF TX 36	4.00	AA	100.00%	740,000.00	740,000.00	767,702.86	754,711.20

Although the Information in this report has been obtained from sources believed to be reliable, its accuracy cannot be guaranteed.

Figure 16-1. Sample Computerized Ledger Showing Collateral Pledge Record.

Pledged To: NOBLE COUNTY TREASURER

Pledges By Pledgee and Maturity
Exchange Bank & Trust - Perry, OK

BBA

As Of 7/31/2023

Receipt#	CUSIP	ASC 320	Description	Prerefund	Pool/Type	Moody	Original Face	Pledged						
								Safekeeping Location	Maturity	Coupon	S&P	Pledged Percent	Original Face	Par
	287461GL5	AFS	ELKHART CO IN IN 36				750,000.00							
BANK: BANKERS BANK			12/01/36		3.00	AA	100.00%	750,000.00	750,000.00	810,640.18	687,982.50			
	232769GK9	AFS	CYPRESS-FAIRBANKS ISO TX 3i			Aaa	500,000.00							
BANK: BANKERS BANK			02/15/37		3.00	AAA	100.00%	500,000.00	500,000.00	547,290.71	458,855.00			
	4423316S8	AFS	HOUSTON-A-REF TX 37			Aa3	500,000.00							
BANK: BANKERS BANK			03/01/37		3.00		100.00%	500,000.00	500,000.00	549,825.94	442,120.00			
	676006TB5	AFS	ODESSA TX38			Aa2	750,000.00							
BANK: BANKERS BANK			03/01/38		3.00		100.00%	750,000.00	750,000.00	809,000.43	647,542.50			
	83162CZJ5	AFS	SBAP 2018-20D 1 (>10Yr- Real E				1,275,000.00							
BANK: BANKERS BANK			04/01/38		3.31		100.00%	1,275,000.00	736,836.00	794,069.43	685,232.43			
	180848M83	AFS	CLARK CO-C NV 39			Aa1	700,000.00							
BANK: BANKERS BANK			07/01/39		3.00	AA+	100.00%	700,000.00	700,000.00	719,127.80	603,148.00			
	3133D3PJ8	AFS	FRLMC 20YR			QK0425	1,275,000.00							
BANK: BANKERS BANK			09/01/40		2.50		100.00%	1,275,000.00	923,605.31	971,802.62	820,282.02			
	3140QHMH5	AFS	FNMA 20YR			CA9359	1,000,000.00							
BANK: BANKERS BANK			03/01/41		2.50		100.00%	1,000,000.00	791,284.08	831,127.13	699,079.69			
	3132DMPJ8	AFS	FRLMC 30YR			SD0425	1,000,000.00							
BANK: BANKERS BANK			09/01/50		2.50		100.00%	1,000,000.00	702,708.78	747,193.93	607,321.47			
	3136BGND9	AFS	FNR 2021-53 LC				1,500,000.00							
BANK: BANKERS BANK			11/25/50		0.75		100.00%	1,500,000.00	1,096,007.04	1,086,119.25	799,664.38			
	3137H45B2	AFS	FHR5162 CN				1,000,000.00							
BANK: BANKERS BANK			11/25/50		1.00		100.00%	1,000,000.00	826,265.18	821,114.75	626,268.11			
	3617MQC46	AFS	GNMA II 30YR			BT1891	1,025,000.00							
BANK: BANKERS BANK			12/20/50		2.50		100.00%	1,025,000.00	727,189.63	765,795.62	616,608.35			
25 Securities Pledged To:		03 - NOBLE COUNTY TREASURER						25,475,000.00	18,846,744.50	20,169,508.96	17,486,089.77			

Although the information in this report has been obtained from sources

believed to be reliable, its accuracy cannot be guaranteed.

7/24/2023 6:37 PM - RLH / PERY

BBA • Baker Bond Accounting ©

Figure 16-1. Sample Computerized Ledger Showing Collateral Pledge Records (Continued)

Depository Default or Insolvency

In the event a public depository defaults or becomes insolvent, the county treasurer must implement the following procedures:

- In cooperation with the State Department of Banking and other regulatory officials (particularly FDIC), the county treasurer must determine the amount of county and other public funds on deposit at the defaulting institution and the amount of deposit insurance applicable to that deposit.
- The potential loss to the county or the public entity must be calculated by the county treasurer. The loss to the county or public entity must be satisfied, insofar as possible, first through any applicable deposit insurance and then through the sale of securities pledged, or through the proceeds of collateral instruments pledged, by the defaulting depository institution. Such sales shall be conducted by the county treasurer.
- The securities, bonds, or other forms of collateral must become forfeited to and become the property of the county or the public entity. If the securities, bonds, or other forms of collateral are valued at less than the amount of principal and interest due to the county or the public entity plus the cost of the ensuing sale, the securities, bonds, and other forms of collateral must be sold by the county treasurer, and the county treasurer is entitled to recover from the financial institution such balances with costs and attorney's fees. If the market value of the securities, bonds, or other forms of collateral exceeds the principal and interest due to the county or the public entity plus the cost of the ensuing sale, the securities, bonds, and other forms of collateral may be sold by the county treasurer, and the excess of the proceeds must be returned to the pledging financial institution or its receiver, without further process of law.

Safeguarding Funds – Quality Collateral

The quality of the collateral is a second consideration of a safe investment. United States Treasury bills and notes, along with the other types of authorized securities (discussed above), constitute high quality collateral. When considering state and municipal bonds, a recommended good practice is to determine the bond rating of the issuing entity and to follow the State Treasurer's guidelines to assure quality collateral.

Safeguarding Funds – Collateral Market Value

Finally, fluctuating interest rates and variable payout provisions mean that the actual market value of financial instruments may vary over time. The "face" value of a treasury note or other instrument may not reflect its market value. Face value is the dollar amount printed on the security. The county treasurer must consider the market value rather than the stated face value of a security since the market value is what the security is actually worth at a particular point in time if sold in the marketplace.

For example, the market value of a five-year treasury note in the amount of One Hundred Thousand Dollars (\$100,000.00), issued in 2005 at an interest rate of 4% had a market value of One Hundred Thousand Dollars (\$100,000.00) or very close to it at the time it was issued. That is, the market value was very close to "par" (100% of face value). Three years later, if interest rates on new bonds drop to 3%, the 2005 bond will probably be worth more than One Hundred Thousand Dollars (\$100,000.00). The reason is fairly simple. The 2005 bond is still paying interest of Four Thousand Dollars (\$4,000.00) per year, whereas, the new bond is paying only Three Thousand Dollars (\$3,000.00) per year, which means that the 2005 bond is worth more than the new bond to an investor wanting to buy a bond.

On the other hand, if the instrument offered for collateral has a lower interest rate than the current rate of interest on a similar investment, the instrument will probably be worth less today than its stated value. If the face value is One Hundred Thousand Dollars (\$100,000.00), it probably will have a current market value less than One Hundred Thousand Dollars (\$100,000.00). It is true that on the designated date of maturity (sometime in the future), the U.S. government will pay the face value, but some counties may not be able to wait until the maturity date to recover their money. This is one reason county treasurers should require collateral with a stated value of at least 110% of the amount to be covered.

The State Treasurer requires 110% collateral on state monies. By requiring collateral with a stated value in excess of the amount of money being secured, the county treasurer makes some provision for market fluctuations.

NOTE:

State law prohibits valuation of collateral at greater than market value.

62 O.S. § 348.1(5)

The market price of a security can be obtained on a regular basis from the pledging bank or from independent sources, such as, the Wall Street Journal, Moody's, or an investment banker.

By law, the market value of pledged securities must be provided to the county treasurer by either the financial institution that holds the deposit or the financial institution that holds the collateral securities, and the market value must have been obtained from an independent, recognized, and documented source. The market value of pledged collateral must be reviewed at least quarterly. The county treasurer may require this market value report monthly.

A highly recommended good practice for the county treasurer to ensure the safety of county deposits is to know the banks, know the bankers, to not hesitate to ask questions (either of the banker or the State Treasurer's collateral department) about the collateral being offered, and to not hesitate to reject collateral if its safety and value cannot be supported.

For more information, a recommended good practice is for the county treasurer to contact the State Treasurer's office, the State Auditor and Inspector, the County Training Program at OSU Extension Services, or a county treasurer who is known to be knowledgeable in this area.

NOBLE COUNTY TREASURER

Investments by Bank

Invest ID	Type	Group	Invest No	Pur Date	Mat Date	Days	Rate	Principal	Interest
EB138			Exchange Bank and Trust						
6	CD	GEN MISC	32794	9/07/2022	10/07/2023	395	1.8000	500,000.00	31,009.60
7	CD	SALES TAX	32778	9/07/2022	10/07/2023	395	1.8000	500,000.00	28,468.76
8	CD	SALES TAX	32786	9/07/2022	10/07/2023	395	1.8000	500,000.00	30,909.60
13	CD	GEN MISC	32808	9/07/2022	10/07/2023	395	1.8000	500,000.00	31,009.60
4	CD	GEN MISC	36013	2/10/2023	8/10/2024	547	2.6500	600,000.00	46,573.67
2	CD	GEN MISC	36412	10/03/2022	10/03/2024	731	2.1500	2,500,000.00	174,574.43
15	CD	GEN MISC	40673	12/07/2022	12/07/2024	731	2.5000	1,000,000.00	50,487.09
3	CD	HIGHWAY	30339	2/10/2022	2/10/2025	1096	0.7500	100,000.00	6,029.74
Bank Total								6,200,000.00	399,062.49
FB			First Bank and Trust						
20	CD	SALES TAX	50178	9/29/2022	09/29/2024	731	1.5500	300,000.00	2,331.37
21	CD	SALES TAX	50225	12/11/2022	12/11/2024	731	2.7500	1,000,000.00	11,527.40
Bank Total								1,300,000.00	13,858.77
Report Total								7,500,000.00	412,921.26

Figure 16-2. Sample Computerized Investment Ledger

Chapter Seventeen

Duties of the County Treasurer: Apportioning County Monies

Apportioning General Revenue

The county treasurer collects many different types of revenues. The county treasurer uses apportionment to distribute monthly the proper amount of collected revenues to the various agencies, funds, county government accounts, schools, towns, and cities that are entitled to receive them.

68 O.S. § 2923

[SA&I Form No. 127](#) or its automated equivalent should be filed with the county clerk and the county treasurer by the treasurer of each school district, city, town, fire district, or other entity that receives apportioned funds.

In most cases, specific statutes govern the distribution of these monies to the various agencies entitled to receive them. A special apportionment on [SA&I Form No. 220](#) (or its automated equivalent) may be performed for a specific purpose to distribute monies at times other than the end of the month. In this chapter, only the most common revenues subject to apportionment are discussed.

68 O.S. § 2924

At the end of each month, the county treasurer must apportion all revenues collected during that month by preparing a monthly report ([SA&I Form No. 236](#) or its automated equivalent) for the county clerk that indicates the amount apportioned to each town, city, and school district. The county clerk then issues warrants to all agencies receiving apportionment for the amounts indicated on the monthly apportionment report.

Any money due from the sale, lease, or rental of any public property received from royalty, for compensation for service of public employees, or other purpose is paid to the county treasurer.

The board of county commissions shall have the authority to direct by written resolution the deposit of these monies to the fund account from which such property was derived or from which payment has been or will be made. If the board of county commissioners does not provide a written resolution, the county treasurer credits the monies to the county general fund.

Apportioning Ad Valorem Tax Revenues

Ad valorem tax revenues are apportioned to the funds established within each school district of the county. The total millage levy for each school district includes the following levies:

- County-wide levies such as the county general fund and the 4-mill school levy
- Special district levies such as Emergency Medical Service
- Common school, technology center, and city sinking fund levies unique to the school district

Property tax payments correspond to the school district within which the property exists. The total ad valorem tax revenues at the end of each month for each school district are apportioned to each fund based on that fund's percentage of the total levy for the school district. A report showing the tax levy percentage is made annually on [SA&I Form No. 2352](#) (or its automated equivalent).

For example, if XYZ school district is to receive 39 mills of the total 78 mills paid on a property, then XYZ school receives 50 % (39/78) of this tax revenue. Likewise, the county general fund receives 10 mills or 12.8205% (10/78).

Apportioning Sheriff Fees

Fees Collected

All fees collected by the county sheriff or deputies must be deposited daily with the county treasurer who credits the monies to the various county sheriff's funds or to the cash fund.

19 O.S. § 682

Supplemental Security Income and Social Security Income Payments for Inmates

The county sheriff's office now receives incentive payments up to Four Hundred Dollars (\$400.00) from the Social Security Administration for all county inmates whose Supplemental Security Income (SSI) payments or social security benefits are suspended due to their incarceration.

The board of county commissioners must draft a resolution authorizing these funds to be placed into the sheriff's board of prisoners account.

Apportioning Printing Fees for Legal Notices

Monies collected to pay the cost of printing legal notices, such as the notice of a tax sale or resale, should be credited back to the fund from which the monies were appropriated.

28 O.S. § 121(B)

37A O.S. § 5-104

Apportioning Alcoholic Beverage Tax

The Oklahoma Tax Commission allocates one-third of ninety-seven percent of the excise tax levied on alcoholic beverages to the counties based on area and population. These revenues are appropriated by the board of county commissioners and the county treasurer apportions the monies among the incorporated cities and towns within the county.

70 O.S. § 615

Apportioning State School Land Earnings

The school land commission apportions earnings from school land to the counties based on the number of school-age children in each school district as shown in the last census.

The county treasurer apportions these monies among the schools in the county based on the average daily attendance (ADA) provided by the State Department of Education.

Apportioning Motor Vehicle License and Registration Revenue

Oklahoma Tax Commission

The Oklahoma Tax Commission collects license fees, taxes, and penalties for motor vehicles, boats and motors and apportions these monies to the counties.

47 O.S. § 1104

The county treasurer apportions these monies, as indicated on the Oklahoma Tax Commission's monthly breakout, to cities, towns, the general fund, and the county highway fund.

Apportioning Flood Control Revenue

At the end of each fiscal year, the State Treasurer distributes revenue to counties in which federal flood control projects are located. This revenue is paid to the State Treasurer under the provisions of Section 7 of the Federal Flood Control Act of 1941.

The county treasurer distributes these monies in the following manner:

- One half to the county general fund
- One fourth, on an enumeration basis, to the various school districts of the counties that receive monies
- One fourth to the county sinking fund, or if no sinking fund exists, to the county general fund

62 O.S. § 204

Apportioning Motor Fuel Tax

The Oklahoma Tax Commission distributes to the county a portion of the excise tax on the following items:

- Gasoline

68 O.S. § 500.6
68 O.S. § 500.7

- Special fuel
- Diesel fuel

68 O.S. § 703
 68 O.S. § 704
 68 O.S. § 705

The county treasurer apportions these revenues to the county highway cash fund for use in the construction and maintenance of county roads and permanent bridges.

Apportioning Gross Production Tax

The Oklahoma Tax Commission levies and collects a gross production tax on oil and gas at the wellhead. These monies are distributed monthly to the counties and should be apportioned to the county highway cash fund.

If the county treasurer acts as a school district treasurer, the Oklahoma Tax Commission will send the monies to the county to be apportioned to the schools.

68 O.S. § 1001
 68 O.S. § 1004

Apportioning Rural Electrification Tax

The Oklahoma Tax Commission collects taxes from rural electric cooperatives and distributes the revenues to county treasurers who are acting as treasurers for school districts, based on how many miles of transmission line there are within each county. This tax collection is in lieu of ad valorem taxes.

68 O.S. § 1805
 68 O.S. § 1806

These funds are apportioned among the school districts in the county based on the number of miles of line that each cooperative has within each school district. The Oklahoma Tax Commission indicates the apportionment amounts for each school district when it sends the monies to the counties.

68 O.S. § 1801
 68 O.S. § 1806

Apportioning Double Homestead Reimbursement

The county assessor may grant an additional homestead exemption to certain classifications of taxpayers. The board of county commissioners files a claim with the Oklahoma Tax Commission to receive reimbursement for the county and the county schools for the loss of revenue due to the double homestead exemption. Cities and towns are not reimbursed for this loss of revenue.

68 O.S. § 2889
 62 O.S. § 193(A)(2)

If a double homestead reimbursement is received, the county treasurer apportions the monies in the same manner as any other ad valorem tax collections.

Apportioning Ad Valorem Reimbursement Fund Money

The Oklahoma State Treasury has created a revolving fund for the Oklahoma Tax Commission that is designated as the Ad Valorem Reimbursement Fund. Monies apportioned to this fund are expended to reimburse counties for loss of revenue for various exemptions granted by the Oklahoma Tax Commission.

68 O.S. § 1359
68 O.S. 1359.1

The board of county commissioners must make claims for reimbursement of these funds on forms prescribed by the Oklahoma Tax Commission prior to April 30 each year.

62 O.S. § 193

Apportioning Vehicle Tax Stamp Revenue

All licensed dealers in Oklahoma are required to affix a tax stamp of \$3.50 on all titles of new and used automobiles, trucks, travel trailers, and other vehicles. The Oklahoma Tax Commission distributes the stamps to the county treasurer to issue.

68 O.S. § 5304
47 O.S. § 1137.1(C)

WARNING:

The county treasurer must issue the vehicle tax stamp only to the appropriate dealers of autos, trucks, travel trailers, mobile homes, recreational vehicles, motorcycles, vessels, watercraft, motorboats, and motors.

The county treasurer must keep a record of stamp sales on an automated form. At the end of each month all monies collected should be apportioned in the following manner:

68 O.S. § 5305

- Deposit 2% to the General Revenue Fund of the State Treasury.
- Apportion 49% to county schools based on average daily attendance.
- Apportion 49% to the county general fund.

68 O.S. § 5301
68 O.S. § 5302
68 O.S. § 5304
68 O.S. § 5305
68 O.S. § 5306

Apportioning Farm Implement Tax

Each month the county treasurer must apportion all monies collected from the sale of tax stamps in the following manner:

- Credit two percent to the General Revenue Fund of the State Treasury.

- Distribute 98% in the same manner as ad valorem taxes collected where the farm implement dealer’s business is located.

68 O.S. § 5404

Apportioning Public Service Administrative Penalty Revenue

The State Board of Equalization assesses an administrative penalty for every day that a railroad, air carrier or public service carrier, or public service corporation doing business in the state fails or refuses to file the statements of schedules with the Oklahoma Tax Commission.

The board remits 50% of this penalty to the county general fund of counties in which the entity refusing to pay has property that is subject to ad valorem tax.

68 O.S. § 2857(B)

Apportioning Mortgage Tax

Each month the county treasurer credits the common school fund of the county with mortgage tax monies collected. These monies are then distributed based on ADA.

68 O.S. § 1910
70 O.S. § 692

Each \$5.00 mortgage certification fee collected should be deposited into a cash account called the County Treasurer’s Mortgage Certification Fee Account. (Refer to “[Mortgage Certification Fee](#)” in Chapter Thirteen, “Duties of the County Treasurer: Collecting Real Estate Mortgage Taxes.”) These monies are used in the lawful operation of the county treasurer’s office.

68 O.S. § 1904(B)

Apportioning Horse Racing Revenue

Counties in which a horse racetrack is located receive the following revenue:

- Forty-five percent of the tax collected on monies wagered at a facility other than the racetrack when the facility is located within the corporate limits of a city in the county
- Ninety percent of the total monies wagered at a facility other than an organization licensee’s enclosure when the facility is not located within the corporate limits of any city in the county

3A O.S. § 205.6a(A)(5)

- Fifty percent of an admission tax collected by the racing organization licensee for tickets for admission to the racetrack when the racetrack is located within the corporate limits of a city in the county
- One hundred percent (except for the first two years when the amount is 95%) of an admission tax collected by the racing organization licensee for tickets for admission to the racetrack under the following conditions:
 - The racetrack is not located within the corporate limits of a municipality in the county.
 - The racetrack is located in a municipality with a population of less than 1,000.

If the racetrack is located within a municipality, the county receives 50% (45% the first two years) of the admission tax.

3A O.S. § 207

3A O.S. § 207

Apportioning Tax Increment Financing Levies

62 O.S. § 854
 62 O.S. § 860
 62 O.S. § 861
 62 O.S. § 863
 62 O.S. § 865

Some project plans under the Local Development Act may have provisions that the increments from certain local taxes or fees may be used to finance project costs in areas qualified under the Local Development Act.

That portion of the ad valorem taxes produced by the levy are apportioned following the guidelines in the Oklahoma Statutes.

Apportioning Federal Payments

Federal Land Payments Forest Reserve Rental Fees

If the county receives a share of monies collected by the Federal Government for rental of U.S. Forest Reserves within the county, the county treasurer apportions these monies in the following manner:

- Apportion 25% to the school districts that are contiguous to the Forest Reserve. Monies are apportioned to the school districts based on the ADA.

- Apportion 75% to a special roads fund for county highways leading into and away from the Forest Reserve. The board of county commissioners administers the special roads fund.

Bankhead-Jones Farm Tenant Act

If the county receives payments collected by the federal government on government-owned lands administered by the Forest Service within the county, the county treasurer apportions these monies in the following manner:

62 O.S. § 491

- Apportion two-thirds to the school districts that are contiguous to the Forest Reserve. Monies are apportioned to the school districts in direct ratio to the number of acres of land within each school district to the total number of acres of land purchased by the federal government.
- Apportion one-third to the county highway fund.

Federal Payments Made “In Lieu of Taxes” to Local Governments

Each September and October, the federal government makes payments to counties in lieu of ad valorem taxes, which would otherwise be collected on property in which federal land is located.

These monies should be apportioned as if they were collected as ad valorem taxes. Refer to [Chapter Eight, “Duties of the County Treasurer: Collecting Ad Valorem Taxes.”](#)

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Chapter Eighteen

Duties of the County Treasurer: Maintaining Sinking Funds

Creating Sinking Funds

Sinking funds are used for issuing municipal bonds and paying judgments against the county. Either before or at the time a county incurs any debt that requires voter approval, the county must create a sinking fund to repay the principal within 25 years from the time the debt is incurred and to pay annually accruing interest.

Each year, the board of county commissioners must levy a sufficient assessment to create a sinking fund to be used in one or more of the following ways:

- To pay the interest coupons (payments) on outstanding bonds or other indebtedness as they fall due
- To pay any bond principal on bonds to be retired that year
- To pay the installment of principal to be amortized during that year
- To pay any judgments that might be required

Oklahoma Constitution
Article 10 § 26

Oklahoma Constitution
Article 10 § 28
19 O.S. § 901.19

Issuing County Municipal Bonds

Bonds issued by state or local governments (including counties) or other public entities at the state or local level are called municipal bonds.

When a county or other public entity issues a municipal bond, the bond is purchased by an individual or an institution such as a bank, a charitable foundation, a college, an insurance company, or a pension fund. By purchasing the bond, the purchaser is loaning money to the issuer for some specific purpose. The bond issuer promises to repay the loan on a specified future date and to pay the purchaser a guaranteed rate of interest until the loan is repaid.

County Treasurer's Role in Municipal Bond Issues

For bonds issued by the county or any county entity, the county treasurer has the following responsibilities:

- To draw up and issue tax statements based on the following information:
 - The mill amounts for the debt service fund set by the county excise board
 - The assessed value as set by the county assessor
 - To collect and apportion ad valorem taxes for sinking funds
 - When appropriate, to deposit money collected into a sinking fund (debt service fund) and to invest that money
- Refer to [Chapter Sixteen, “Duties of the County Treasurer: Investing County Monies”](#) for information on investing county funds.
- To make payments, either by treasurer's check or by electronic transfer of funds, on county bonds and any other bonds for which the county treasurer is responsible, when they become due to fiscal or paying agents.

[SA&I Form No. 277](#) (or its automated equivalent) is used to maintain a record when remittance is made to a paying agent or bank.

Understanding Municipal Bonds

Bond Issue

Municipal bonds are usually issued with the assistance of an investment banker who agrees to buy the municipal bonds and possibly resell them to the public. If a bond issue is relatively small, a single investment banker may float the issue. For larger bond issues, a number of investment bankers may form a syndicate or underwriting group that disbands after the bonds have been sold.

Usually, underwriters make competitive bids to the county to underwrite a bond issue and the underwriter who enables the county to pay the lowest rate of interest wins the bid.

Indentures

The details of a bond purchase agreement are summarized on the actual bond and explained on an indenture or transcript of proceedings. Each bond contains the following information:

- Serial number
- Principal amount
- Date on which the principal amount is to be repaid
- Interest rate
- Issuer's name

Bond Issue Amounts

62 O.S. § 351

Bonds are ordinarily issued in denominations of Five Thousand Dollars (\$5,000.00). The bond amount is the bond's principal amount, or face value, which will be repaid to the bond holder when the bond expires or matures.

NOTE:

Oklahoma law requires the board of county commissioners to sell bonds issued by a vote of the people for no less than 99% of the face value.

Specific Purpose for Debt

All laws that authorize any county to borrow money must specify the purpose for which the money will be used. The money cannot be used for any other purpose except the one specified.

Oklahoma Constitution
Article 10 §16

County Debt Limit

No county can incur any debt, in any manner, for any purpose, for an aggregate amount that exceeds five percent of the taxable valuation of the county. All debts must be approved by a 3/5 vote by the county voters at an election held specifically for that purpose.

Certificate of Legal Compliance

No bond or evidence of debt of any county is valid unless both the county clerk (or other officer authorized by law to sign the certificate) and the district attorney certify that the bond is issued according to the law and is within the county's debt limit.

Oklahoma Constitution
Article 10 § 29

Payments for Advisors and Other Expenses

All expenses associated with issuing a bond, such as fees to a bond attorney, financial advisor, bond printer, or other consultants can legally be paid from the bond issue proceeds or from other monies legally available.

62 O.S. § 589

Since the issuing agent will continue in service to the county for the life of the bonds, a sinking fund levy that is made to service the bonded indebtedness can provide for issuing agent fees.

62 O.S. § 589

Bond Types

Serial Bonds

In some instances, the county is legally required to issue serial bonds. Revenues which the county has dedicated to bond redemption are placed into a sinking fund. Under the serial redemption arrangement, the county is committed to redeem a certain portion of the bond issue each year until the entire issue is retired. A portion of the bonds are issued with short-term maturities, and subsequent portions of the bond issue mature in the following years.

The serial bond approach enables the cost of a public improvement to be shared among its present and future beneficiaries. Also, the overall cost of breaking an issue into short-term,

medium-term, and long-term bonds is usually less to the county. Furthermore, investors are attracted to issues, which allow for spreading an investment over several maturities so that they can get some of their principal back each year or every few years.

Register and Bearer Bonds

The law stipulates that the county issue register bonds, while in some cases bearer bonds are stipulated.

- Register bonds involve maintaining books in which the names and addresses of the bond owners are registered. Interest payments are mailed to the owners usually every six months.
- Bearer bonds are assumed to belong to whoever possesses or bears them. Interest coupons are a part of the bond. The owner clips the coupons and presents them for interest payments.

NOTE:

The Federal Tax Code was amended in 1983 to require that bonds must be registered in order to retain their tax-exempt status. Consequently, the Oklahoma Statutes were amended to provide the legal basis for registration of bonds regardless of whether other Oklahoma Statutes stipulate issuing bearer bonds.

62 O.S. § 583

Coupon Bonds

Whenever the terms *coupon bond* or *coupon bonds* appear in any statute, these terms mean any bond, note, or other evidence of debt of any public entity, department, public trust, or agency, regardless of whether these instruments are in coupon, registered, or other form. The use of the word *coupon* does not limit the form of instruments that these entities are authorized to issue. The terms *coupon* or *coupon rate* mean interest or interest rate.

62 O.S. § 591

Major Bond Categories

Municipal bonds are broken down into specific categories depending on the purpose of the bond issue. Table 18-1 lists municipal bond categories and shows any statutory references that apply to each bond category.

Registering Bonds

Registration Systems

Each bond issuer is authorized to establish and maintain a system of registration for each obligation it issues. The bond issuer can amend, discontinue, and reinstitute any system, subject to covenants. These registration systems may be one of the following types:

62 O.S. § 584

- A system in which only certificated registered public obligations are issued
- A system in which only uncertificated registered public obligations are issued
- A system in which both certificated and uncertificated registered public obligations are issued.

System Creation and Maintenance

The bond issuer must establish, amend, discontinue, or reinstitute the bond registration system, and the official or official body must maintain that system.

Description

The bond issuer must describe the bond registration system in the registered public obligation or in the official actions, which provides for original issuance of the registered obligation, and in subsequent official actions provides for amendments and other matters from time to time. The description may reference a program of the issuer that is established by the official or official body.

Table 18-6. Bond Categories and Statute References

Bond Category	Statute References
<p>General Obligation Bonds</p> <p>Backed by the full faith, credit, and taxing power of the county, these bonds tend to receive the highest credit rating and therefore pay the lowest interest rate.</p>	<p>62 O.S. §§ 381-425</p>
<p>Limited-Tax General Obligation Bonds</p> <p>Essentially the same as general obligation bonds, these bonds have a legal restriction on the level of taxation that can be imposed to service the debt.</p>	
<p>Road Improvement Bonds</p> <p>Bonds issued for road improvement districts are paid by the property owners who benefit from the road improvements based on the county tax assessor’s appraisal and apportionment. These payments are due in ten equal annual installments with interest of not more than 13% per annum until maturity. If installments are not paid when due, they bear interest at 15% per annum. Interest changes on some bonds after the maturity date.</p>	<p>19 O.S. § 1257</p>
<p>Industrial Development Bonds</p> <p>These bonds are used to finance the construction of facilities to encourage manufacturing, business, recreational, and cultural growth in a county. The debt payments usually come from rental payments made to the county by the organization that occupies the facility.</p> <p>These bonds do not affect the debt limit of the county, and are exempt from all state, county, municipal, income, and inheritance taxes.</p> <p>Industrial Development Bonds include Revenue Bonds</p> <p>The total assessments can be paid without interest if paid within 30 days of the resolution to levy assessments. Since they are not a liability of the county, they do not affect the county debt limit.</p>	<p>62 O.S. §§ 651-664</p>

Table 18.1. Bond Categories and Statute References (Continued)

Bond Category	Statute References
<p>Public Trust Bonds</p> <p>Express trusts may be created to issue obligations and to provide funds to further and accomplish any authorized and proper public function or purpose of the state or of any county or municipality or any combination. An example would be an industrial development authority trust.</p>	<p>60 O.S. § 176</p>
<p>County Buildings Bonds</p> <p>A county may issue general obligation bonds to acquire land and build or remodel a courthouse or jail. These bonds require a 3/5 vote of the people.</p> <p>Coupon bonds issued for county building programs are made payable to the bearer with an interest rate of no more than 6% per annum. The bonds are issued in denominations from one hundred to one thousand dollars.</p>	<p>62 O.S. § 442 19 O.S. § 731 19 O.S. § 738</p>

Understanding Implications of the Federal Tax Reform Act of 1986

Federal Tax Interest Income Exemption

In addition to the relatively low risk of investing in municipal bonds, a major incentive for investment in municipal bonds has been their tax-exempt status. This status allows local governments to finance improvements at a relatively low cost to taxpayers and allows investors to earn an effective yield on their investment at least equal to yields of more risky taxable investments.

Restrictions

The Federal Tax Reform Act of 1986 has placed some restrictions on the types of municipal bonds that can retain a tax-exempt status. Bonds issued for “governmental” and certain “private activity and exempt facility” purposes are allowed tax-exempt status. The following governmental projects qualify for unrestricted tax-exempt financing:

- Traditional general public projects such as roads, bridges, schools, public buildings, parks, and sewers (except treatment)
- Similar infrastructure projects

The tax act prohibits more than 10% of a tax-exempt bond's proceeds from being used by a private business whenever more than 10% of the debt service payments are derived from that private business.

The tax act eliminates tax-exempt bond uses unless they meet the test of public ownership and use.

The following private activities can no longer use tax-exempt financing:

- Sports
- Conventions
- Trade show parking
- Industrial parks
- Pollution control facilities

Arbitrage Restrictions

Arbitrage involves a local government issuing tax-exempt bonds and investing the proceeds at a higher interest rate until the proceeds are needed. The difference between the interest income over and above the interest expense is called *arbitrage earnings*.

The interest rate that a county pays on a tax-exempt bond is lower than the interest rate of taxable bonds. For example, if a county invests the proceeds of a tax-exempt bond on which the interest is 5% in an otherwise taxable investment that pays 7% interest, the county's arbitrage earnings are 2%.

Under the tax bill, arbitrage earnings in excess of the allowable limits must be rebated to the federal government. The following situations are exceptions to this rule:

- When all gross proceeds of a bond issue are expended within six months of bond issue
- When small governmental units issue bonds totaling Five Million Dollars (\$5,000,000.00) or less annually

Internal Revenue Service Report

Counties must now file reports with the Internal Revenue Service each time they issue any tax-exempt bond. Failure to do so within certain time limits can result in the loss of tax exemption for that particular bond issue. The credit rating of the county could also suffer.

Seeking Assistance with Bond Issues

The county treasurer can contact the following state offices for guidance and assistance on bond issues:

- Oklahoma Securities Commission
Department of Securities
204 North Robinson Avenue,
Suite 400,
73102
405-280-7700
- Oklahoma Attorney General's Office
Bond Division
313 NE 21st Street
Oklahoma City, Oklahoma 73105
405-521-3921
- Government Finance Research Center
412 S. Peoria Street,
324 CUPPAH, (MC 349)
Chicago, Illinois 60607
312-996-8587
- Oklahoma State Auditor and Inspector
State Capitol, Room 123
Oklahoma City, Oklahoma 73105
405-521-3495

Paying Judgments against the County

A judgment is a court decision regarding the rights of parties. Judgments can occur for the following reasons:

62 O.S. § 361

- To pay money owed – for example, a claim that workers' compensation was not paid
- To pay for damages to a person or property – for example, a claim that a violation of a prisoner's civil rights has occurred

- For no or inadequate insurance

51 O.S. § 154

State law limits the size of tort claims against the state and its political subdivisions.

Judgment claims are filed with the county treasurer and submitted to the county clerk.

62 O.S. § 365.5

Role of the County Treasurer regarding Judgments

At time of the judgment, the county court clerk delivers a certified copy of the journal entry of judgment to the judgment creditor or the attorney for the judgment creditor who then transmits that information to the following people:

62 O.S. § 365.2

- The County Clerk
(SA&I Form No. 325 or its automated equivalent)
- The County Treasurer
- The County Clerk as secretary of the county excise board

The county treasurer then has the following responsibilities regarding judgments.

- Maintain the Treasurer’s Judgment Ledger (SA&I Form No. 324 or its automated equivalent)
- Accept for filing from the judgment creditor or the attorney for the judgment creditor the claim form prescribed by the Office of the SA&I (SA&I Form No. 334 or its automated equivalent)

62 O.S. § 365.5

This form itemizes the judgments to be paid, including principal sums, any sums already paid, and the balance due with interest.

The amount of the judgment (the principal) is paid in three equal payments beginning in the fiscal year that follows the fiscal year in which the judgment was made. No payment is made until the first third is placed in the budget and is levied for collection.

12 O.S. § 727
12 O.S. § 727.1

Interest accrues each year at the rate for that year published by the Administrative Office of the Courts. Interest is calculated to the end of each calendar year and then compounded.

1999 OK 57, 983 P.2d 1025

NOTE:

In 1999, the Oklahoma Supreme Court interpreted [12 O.S. § 727](#) to provide for both compound interest and a varying interest rate for each year that the judgment

remains unpaid after January 1998. The Tulsa County district attorney's office has advised that this method is used regardless of any wording in the journal entry of judgment.

- Once the judgment has been placed in the budget and levied for collection and there is sufficient cash in the sinking fund; approve the claim and transmit it to the county clerk for approval
- Upon approval by the county clerk, send the payment by treasurer's check to the court clerk and make the appropriate bookkeeping entries
- After the judgment, plus interest, is paid in full and a release or similar document is received from the court (court clerk), transfer any balance in the sinking fund to the county general fund.

When a sinking fund is closed, a notice that details the condition of the sinking fund must be published in a newspaper of general circulation in the county.

62 O.S. §§ 445

Sinking Fund Levy Computation

The following forms are used in computing sinking fund levies:

- Treasurer's Judgment Ledger (SA&I Form No. 324 or its automated equivalent)
- Court Clerk Municipal Judgment Claim (SA&I Form No. 334 or its automated equivalent)
- Assigned Judgment Claim
- Application for Release of Judgment (court clerk)
Submitted by the judgment debtor to the court clerk
- Certificate of Release (court clerk)
Issued by the court clerk to the judgment debtor

Prepayment of Judgments

If sufficient cash is available to make the annual principal and interest payment prior to the anniversary date of the judgment, the amount of interest due is prorated according to the actual elapsed time. In other words, just like any other debt, the sooner it is paid, the smaller the amount of interest.

Alternative Methods of Handling Claims

Some claims at the discretion of the insurance carrier or the board of county commissioners can be settled out of court to avoid a court judgment.

One judgment can be paid from the excess in another sinking fund and then that fund is repaid.

51 O.S. § 158

62 O.S. § 435

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Appendix A

Using the Oklahoma Statutes

NOTE:

For any questions on how to interpret an Oklahoma Statute or law, the district attorneys or their assistants shall give opinions and advice to the board of county commissioners and other officers of the counties in their districts, when requested, upon all matters in which any of the counties of their districts are interested or relating to the duties of such boards or officers in which the state or counties may have an interest.

This appendix is meant only as a guideline for accessing and using the Oklahoma Statutes.

The Oklahoma Statutes Online

The Oklahoma Statutes can be accessed online through the [Oklahoma Supreme Court Network \(OSCN\)](#). Once the site comes up, click on the navy-blue bar at the top of the page that says “Legal Research,” then click on “Statutes.” When the list of statute titles appears, click on “expand” at the right-hand side of the title listing. After the title sections appear, click on the section needed. These copies of the statutes have all the information found in the statute books plus historical information and court case data. They are updated once each year in August.

On the OSCN website, new Oklahoma Statutes and statute changes and the session laws are added each year in August following that year's legislative session. The Oklahoma Session Laws, plus other items of interest to county officers such as, the Oklahoma Constitution, and Oklahoma Attorney General Opinions are also listed under the "Oklahoma Legal Materials" heading on the OSCN website.

Searching the Oklahoma Statutes Databases

The OSCN supports two types of search requests:

- A natural language search is any sequence of text, like a sentence or a question. After a natural language search, the OSCN sorts documents by their relevance to the search request.
- A Boolean search request consists of a group of words or phrases linked by connectors such as *and* and *or* that indicate the relationship between them.

A database code appears in green, and the word "Search" appears in blue after the heading "Statutes" on the list of Titles page and after each Title listed on that page. It also appears after the Title number and name on the Title pages.

Clicking on the blue word "Search" starts a "Quick Search" for the complete list of titles, or a particular title or section, depending on where the search was initiated. After typing in the search words or phrases, such as "county officers and training," clicking on "Go" in the grey box will bring up a list of Oklahoma Statute titles related to that search such as the following example:

Certain County Officials to Participate in Training Programs and Educational Seminars - Expenses
Database: *Oklahoma Statutes Citationized, Title 19. Counties and County Officers*
Statute Citation: 19 O.S. § 130.7
Chapter 6 - Officers
Effective: 04/20/2015
[Relevancy \(Number of Hits\):10](#)
[Retrieve Hit Highlighted Document](#) [Citationize](#) [Retrieve Document \(No Highlights\)](#)

Click on the blue line "[Retrieve Hit Highlighted Document](#)" to access that Oklahoma Statute.

Clicking on the word "Search" on the "Quick Search" page will bring up a "Simple Query" page for a more in-depth search.

Clicking on the words "Advanced Search" on the "Quick Search" page will bring up an "Advanced Query Editor" for an even more in-depth search.

The Oklahoma Statutes

The Oklahoma Statutes are made up of statutes, supplements, and session laws.

All the laws enacted, amended, and repealed since statehood comprise a multi-volume set published every ten years. For example, the Oklahoma Statutes, 2011, contains all the laws passed from statehood up to and including the 2011 legislative session.

The Supplements

Each year following the beginning year volumes, a Supplement (one or more volumes) is published that contains all the laws enacted, amended, or repealed at that year's legislative session. Therefore, a full reading of the laws for 2011 through the current year would require the reader to consult not only the 2011 Oklahoma Statute volumes, but the latest Supplement book(s) for each year following 2011 (2012~2020).

Conflicting Oklahoma Statutes

When provisions within an Oklahoma Statute contravene any former code (are contrary to), the most recent provision prevails.

Conflicting Oklahoma Statutes and Session Laws

In all cases where there is a conflict between the original acts and adopted statutes, the original acts shall govern, and the adopted statutes shall be deemed as repealed, amended, or modified thereby, without reference to the date of the approval of such original acts. For purposes of this section, "original acts" means the enrolled documents of the acts as produced by the house of origin.

Session Laws Citations

Following each session of the state legislature, all laws enacted in that session are published as the Oklahoma Session Laws for that year. They are published as chapters in the order of their enactment.

In the interim between the time legislators pass the laws and the time the Annual Supplement to the Statutes is printed or the OSCN website is updated, the Oklahoma Session Laws are the only reference available for the new laws. In order to find a law, either the date the bill passed, or the bill's number is needed, as the Session Laws index lists the laws both chronologically and by number.

The Oklahoma Session Laws are the most accessible source of legislative process such as these examples:

- Appropriation bills
- Concurrent resolutions
- Other measures

Index

The Index volume of the Oklahoma Statutes has two parts. The first part is the General Index, an alphabetical index of topics found in the previous volumes. The second part is a Popular Name Table, which contains a selective alphabetical listing of those Oklahoma laws that are commonly referred to by a popular name or descriptive term, or by a statutory short title.

For example, in the Popular Name Table, the topic “Alcohol Testing, Standards for Workplace Drug and Alcohol Testing Act,” could be found under “Alcoholics: Alcoholics and Intoxicated Persons: Standards for Workplace Drug and Alcohol Testing Act” or “Alcoholics: Alcoholics and Intoxicated Persons: Tests and Testing: Workplaces, standards” in the General Index to find the related Oklahoma Statute(s).

General Index

The General Index to the Oklahoma Statutes is organized by major topics. Following each major topic heading is an alphabetical list of subentries to the major topic. Each subentry may be further subdivided. Following each subentry is the title and section where statute that pertains to the entry can be found. For example, to find the laws addressing the mandatory training required for county officers, locate the major topic heading "Counties" and the subheading “Officers” which refers to another major topic heading “County Officers and Employees generally, this index”.

Under this topic heading, locate "Training."

This particular example appears in the index in the following manner:

Training

Counties, 19 § 130.1

Professional development programs, 19 § 130.2 et seq

Purchasing Agents, 19 § 1500

Reimbursement, 19 § 165

Therefore, statutes addressing county training are in Title 19, Section 130.1, 130.2, and the following sections (et. seq. means "and following").

Other notations following a listing are:

- “generally, this index” means the subentry is a major topic in a broad, general area of the Oklahoma Statutes where the subject is covered.
- “elsewhere in the index” means the topic is a major heading elsewhere
- The word “ante” means the concept is listed prior to that listing under the same topic heading.
- The word “post” means the concept is listed after that listing under the same topic heading.
- “et seq” means follows section number, which implies the current section and several sections that follow relate to the topic.

Tables

The tables help locate a statute when only the session law date and/or number are known.

Table 1 lists the Session Laws from 1931 to 2001 and shows corresponding sections in Oklahoma Statutes 2001.

Table 1A lists the Session Laws from 2002 to 2011 and shows corresponding sections in Oklahoma Statutes 2011.

Table 2 lists Revised Laws 1910 and shows corresponding sections in Oklahoma Statutes 2001.

Table 3 lists Compiled Statutes 1921 and shows corresponding sections in Oklahoma Statutes 2001.

Table 4 lists Oklahoma Statutes 1931 and shows corresponding sections in Oklahoma Statutes 2001.

For example, to find the location of the session law "laws 1970, C. 110 § 1" in the Oklahoma Statutes, 1991, locate the table for "laws 1970" under the major heading "Session Laws 1931-1991." The table reads as follows:

Laws 1970

Chapter	Section	Title	Section
---------	---------	-------	---------

110	-----	1	-----	19	---	138.4
-----	-------	---	-------	----	-----	-------

A Closer Look

Titles

Oklahoma Statutes, supplements, and Session Laws are all organized into major categories called Titles, which are arranged alphabetically by the title of the category. Each title is numbered consecutively in both the Table of Contents and throughout the Oklahoma Statutes. The Titles listed in Volume I begin as follows:

Title

1. Abstracting
2. Agriculture
3. Aircraft and Airports

Thus, a reference made to "Title 2 of the Oklahoma Statutes" is actually a reference to laws generally pertaining to agriculture. Title 19 deals with "Counties and County Officers."

Each title in the Oklahoma Statutes is organized by chapters that pertain to the major topic of the title to assist researchers. Chapters are further divided into sections. Instead of starting over with the number one in every new chapter, sections are numbered continuously throughout each title, so that only the title and section number need be known to access an Oklahoma Statute.

Chapters and Sections

Under each title are the chapter headings and section numbers. Sections are organized into chapters by subject matter to assist the researcher. They are used for categorizing information and are not used when referencing an Oklahoma Statute.

Thus, Title 19, Counties and County Officers, contains chapters such as the following:

<u>Chapter</u>	<u>Title</u>
1	Status and Power of Counties
2	Creation and Modification of Counties
6	Officers
25	County Employees' Retirement Systems

Under each chapter are the sections that pertain to that chapter. Each section is a copy of the Oklahoma Statute that covers the topic in that chapter and section. For example, Title 19, Chapter 1, begins as follows:

<u>Section</u>	<u>Heading</u>
§ 1	Organized Counties to be Empowered for the Following Purposes
§ 2	Definition of Property of County
§ 3	County's Powers Exercised by Board of Commissioners-Certain Contracts Void by Individual Commissioner

After each section of the Oklahoma Statutes is a "Historical Data" section, which includes the following information:

- The year in which the law was enacted
- The year(s) in which amendments were made
- The chapter (or page number) and the section of the Oklahoma Session Laws at which the law or amendment is found
- The date on which the law or amendment became effective if an emergency was declared

For example, following 19 O.S. § 1 is the footnote:

R.L. 1910, § 1497; Amended by Laws 1986, SB 367, c. 135, § 1, emerg. eff. April 17, 1986.

The section may also include a “Citationizer© Summary of Documents Citing This Document,” which may include Oklahoma Attorney General Opinions, Oklahoma Supreme Court Cases, and other related documents.

Referencing the Oklahoma Statutes

Oklahoma Statutes should be referenced as 19 O.S. § 130.1 where 19 is the title number, O.S. is the Oklahoma Statutes, § is the symbol that designates a section in the Oklahoma Statutes, and 130.1 is the section number. Chapter numbers are not included in the official citation.

In the book format, Oklahoma Statutes from the beginning year volumes usually do not have a date indication. If the law has been changed or a new law has been passed, references from the Supplements are written as 19 O.S. 2019, § 116 to show that the latest version of that law is found in the 2019 Supplement to the 2011 Oklahoma Statutes.

Distribution

Effective November 1, 2020, those government offices and institutions that were previously eligible to receive free, hard-bound paper copies of the Official Oklahoma Statutes, Supplements, and Session Laws distributed by the Secretary of State may no longer receive them. The new Oklahoma Statute, effective November 1, 2020, states that the Secretary of State shall provide free electronic access.

75 O.S. § 13

The language in the Oklahoma Statutes regarding copies of free book sets has been repealed effective November 1, 2020.

Appendix B

Related Sources

Contact Information

Association of County Commissioners of Oklahoma (ACCO)

429 Northeast 50th Street
Oklahoma City, Oklahoma 73105

Phone: 405-524-3200

1-800-982-6212

Fax: 405-524-3700

Website: <http://www.okacco.com>

Publications Available:

Policies and Procedures (<https://www.okacco.com/policies--procedures.html>) Sample 2023 Personnel Policy (Word)

Sample 2020 Drug & Alcohol Testing Policy (Word)

Sample General Safety Manual (Word)

County Training Program (CTP)

Division of Agricultural Sciences and Natural Resources
318 Legacy Hall
Oklahoma State University
Stillwater, OK 74078-8088

Phone: 405-744-6160

Fax: 405-744-8210

Email: ctp@okstate.edu

Website: <http://www.agecon.okstate.edu/ctp>

Publications Available:

Handbook for County Clerks of Oklahoma

Handbook for County Court Clerks of Oklahoma

Handbook for County Commissioners of Oklahoma

Purchasing Handbook for Oklahoma Counties

Handbook for County Treasurers of Oklahoma

For other publications, refer to the CTP website under “Related Publications”

Governmental Finance Officers Association (GFOA) of the United States and Canada

203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210

Phone: 312-977-9700

Fax: 312-977-4806/ 312-977-9083

Website: <http://www.gfoa.org/>

Publications Available:

Governmental accounting, auditing, and financial reporting

Office of Management and Enterprise Services

Central Purchasing
2401 North Lincoln Blvd.
Oklahoma City, OK 73105

Phone: 405-521-2116

Website: <https://omes.ok.gov/services/purchasing>

Office of the Oklahoma State Auditor and Inspector (SA&I)

Room 100 State Capitol
2300 North Lincoln Boulevard, Suite 123
Oklahoma City, Oklahoma 73105

Phone: 405-521-3495

Fax: 405-521-3426

Website: <https://www.sai.ok.gov/>

Publications Available:

County Government Chart of Accounts
County Government Forms
Purchasing Forms

Oklahoma Bar Association

1901 Lincoln Boulevard
Oklahoma City, Oklahoma 73105

Phone: 405-416-7000

Toll Free: 1-800-522-8065

Website: <http://www.okbar.org>

Oklahoma Cooperative Extension Service (OCES)

Division of Agricultural Sciences and Natural Resources

Department of Agricultural Economics

139 Agricultural Hall

Oklahoma State University 74078-6026

Phone: 405-744-5398

Fax: 405-744-8210

Website: <https://extension.okstate.edu/>

Publications Available:

OSU Extension fact sheets

Oklahoma Department of Libraries

200 N.E. 18th Street

Oklahoma City, Oklahoma 73105

Phone: 405-521-2502

Fax: 405-525-7804

Website: <https://libraries.ok.gov/>

Publications Available:

Directory of Oklahoma (published every two years)

Oklahoma state agencies, boards, commissions, courts,
institutions, legislatures, and officers

Oklahoma Department of Transportation

200 N.E. 21st Street
Oklahoma City, Oklahoma 73105

Phone: 405-521-2011

Website: <https://www.ok.gov/odot/>

Local Government Division – 405-521-2553

Office Engineer Division – 405-521-2625

Oklahoma Press Service, Inc.

An affiliate of the Oklahoma Press Association

3601 North Lincoln Boulevard

Oklahoma City, Oklahoma 73105-5499

Phone: 405-499-0020

Toll Free: 888-815-2672

Website: <https://okpress.com/?>

Publications Available:

Oklahoma Open Meeting & Open Records Book

Oklahoma Public Employees Retirement System (OPERS)

5400 North Grand Boulevard, Suite 400

Oklahoma City, OK 73112

P.O. Box 53007

Oklahoma City, Oklahoma 73152-3007

Phone: 405-858-6737

Toll Free: 800-733-9008

Fax: 405-848-5946

Publications Available:

Handbooks, newsletters, brochures, and more

Oklahoma State Department of Health

123 Robert S. Kerr Ave.

Oklahoma City, Oklahoma 73102

Phone: 405-271-5600

Toll Free: 800-522-0203

Email: webmaster@health.ok.gov.

Website: <https://oklahoma.gov/health.html>

Oklahoma State Election Board

State Capital Building
2300 North Lincoln Boulevard, Room G28
Oklahoma City, Oklahoma 73105
P.O. Box 53156
Oklahoma City, Oklahoma 73152

Phone: 405-521-2391

Fax: 405-521-6457

Website: <https://oklahoma.gov/elections.html>

Publications Available:

Roster, state and county officers and elections returns

Oklahoma Tax Commission

Oklahoma City, Oklahoma 73126-9060
2501 North Lincoln Boulevard
Oklahoma City, Oklahoma 73194

Phone: 405-521-3160

Fax: 405-522-4275

Ad Valorem Division – 405-319-8200

Website: <https://oklahoma.gov/tax.html>

Publications Available:

State payments to governments – from Public Information

Office State tax collections – from Public Information Office

Secretary of State, State of Oklahoma 421 N.W.

13th, Suite 210

Oklahoma City, Oklahoma 73103

Phone: 405-521-3912

Fax: 405-521-3771

Website: <https://www.sos.ok.gov>

Email: webmaster@sos.ok.gov

TM Consulting

Phone: 580-540-3277

Website: <https://oktaxrolls.com/#>

Email: john@tmconsulting.us (Consultation)

zach@tmconsulting.us (Technical Assistance)