

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

(SEE ENCLOSED INSTRUCTIONS)

To County Assessor of \_\_\_\_\_ County

Year Assets Acquired \_\_\_\_\_ Federal ID# \_\_\_\_\_

MLEC # \_\_\_\_\_

FOR ASSESSOR USE ONLY	
Application XM# _____	Millage _____
Date Filed _____	Sch. Dist. _____

Application is hereby made for ad valorem tax exemption on an exempt manufacturing facility or research and development facility located in the above county on January 1, \_\_\_\_\_, in accordance with the provisions of 68 O.S., 1991, Section 2902.)

APPLICANT NAME:
MAILING ADDRESS:
CORPORATE CONTACT NAME AND TELEPHONE:
FACILITY CONTACT NAME AND TELEPHONE:
FACILITY LOCATION:

1. Is the facility engaged in manufacturing as defined in the Standard Industrial Classification Manual?  
YES \_\_\_\_\_ NO \_\_\_\_\_ If yes, provide the following:

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

2. Is the facility a research and development facility as defined in Title 68 O.S. 1999 Supp. §2902  
YES \_\_\_\_\_ NO \_\_\_\_\_ If yes, explain the activity:

EXPLANATION: \_\_\_\_\_  
\_\_\_\_\_

3. Answer the appropriate question (3A, 3B, 3C, 3D or 3E):

- 3A. Is this a concern that was not engaged in business in Oklahoma or did not have property subject to ad valorem taxation in Oklahoma and constructed a facility or acquired an existing facility which had been unoccupied for 12 months?  
YES \_\_\_\_\_ NO \_\_\_\_\_ If yes, complete the following:

Date construction began:		Date construction completed:	
Total costs:		Total square feet of building:	
Total land area currently used for manufacturing or research & development:			

3B. Is this a concern that was engaged in business in this state or had property subject to ad valorem taxation in this state on and constructed a facility in Oklahoma at a different location and continued to operate all its facilities in Oklahoma to January 1 of this year?  
 YES \_\_\_\_\_ NO \_\_\_\_\_ If yes, complete the following:

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

3C. Is this a concern that was engaged in business in this state or had property subject to ad valorem taxation in this state and expanded an existing facility and this exemption is claimed on the expansion of an existing facility?  
 YES \_\_\_\_\_ NO \_\_\_\_\_ If yes, complete the following:

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

3D. Is this a concern that was engaged in business in this state or had property subject to ad valorem taxation in this state and acquired an existing facility in Oklahoma which had been unoccupied for 12 months or longer and continued to operate all its facilities in Oklahoma to January 1 of this year?  
 YES \_\_\_\_\_ NO \_\_\_\_\_ If yes, provide the following:

Date last occupied by former owner or occupant:		Name of former owner or occupant:	
Date acquired by applicant:		Date occupied by applicant:	

3E. If none of the above, explain:  
 EXPLANATION: \_\_\_\_\_

4. Did the applicant discontinue any operations in Oklahoma after this exemption had been allowed?  
 YES \_\_\_\_\_ NO \_\_\_\_\_ If yes, explain the circumstances involved:  
 EXPLANATION: \_\_\_\_\_

- 4A. Is this application for a "stand alone" facility? YES \_\_\_ NO \_\_\_
- 4B. Is this application for all facilities owned by the manufacturer? YES \_\_\_ NO \_\_\_
- 4B.1 If yes, list all facilities by county. \_\_\_\_\_

**IF ANSWER IS "YES" TO THE ABOVE QUESTION, AN APPLICATION FOR ALL INVOLVED FACILITIES MUST BE SUBMITTED TO THE APPROPRIATE COUNTY/COUNTIES.**

5. Please show property owned in this county and its value on which exemption is being claimed. Acquired facilities must have been vacant for 12 months in order to be eligible. Exclude licensed/tagged vehicles. (USE PAGE 6 WORKSHEET)

OWNED PROPERTY	ORIGINAL COST OF OWNED PROPERTY	YEAR ACQUIRED OR CONSTRUCTED	NEW OR USED
Land			
Buildings			
Machinery & Equipment			
Leasehold Improvements			
Total			

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

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

LEASED REAL AND PERSONAL PROPERTY		
	CONTRACT PURCHASE AMOUNT	DATE OF TITLE CONVEYANCE
Land		
Buildings		
Machinery and Equipment		

- 6A-1 Are lease payments applied to the purchase price?  
YES \_\_\_ NO \_\_\_ If no, explain:

EXPLANATION: \_\_\_\_\_

- 6B. Is the lease-purchase amount stated in the agreement?  
YES \_\_\_ NO \_\_\_ If yes, for what amount? \_\_\_\_\_

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

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

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

**AFFIDAVIT**

STATE OF OKLAHOMA

\_\_\_\_\_ COUNTY

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

\_\_\_\_\_  
Applicant Signature

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Seal \_\_\_\_\_  
Notary Public Signature

My Commission Expires: \_\_\_\_\_

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**For Use by Assessor**

The Standard Assessment percentages for this year for this county are as follows:

Real Property: \_\_\_\_\_%                      Personal Property: \_\_\_\_\_%

Located in school district: \_\_\_\_\_

Signed: \_\_\_\_\_, County Assessor

Date: \_\_\_\_\_

**STATE OF OKLAHOMA**

**EMPLOYMENT AND PAYROLL LEVEL AFFIDAVIT**

**OKLAHOMA AD VALOREM TAX EXEMPTIONS**

**FOR MANUFACTURING AND RESEARCH DEVELOPMENT CONCERNS**

Title 68, O.S. 1999, Supp. 1999 Section 2902

FACILITY \_\_\_\_\_

DATE: \_\_\_\_\_

A capital investment of at least \$250,000.00 is required for all facilities and a net increase of \$250,000.00 or more in annualized payroll, or a net increase of \$2,000,000.00 or more in capital improvements while maintaining or increasing payroll. The Oklahoma Tax Commission will verify all payroll information through the Oklahoma Employment Security Commission. Payroll will be verified by the Oklahoma Tax Commission by using the average of the third and fourth quarter Oklahoma Employment Security Commission reports of the calendar year immediately preceding the year for which initial application is made for baseline payroll; and the facility will offer, within one-hundred-eighty (180) days of the date of employment, a basic health benefits plan to the full-time-equivalent employees of the facility, which is determined by the Department of Commerce to consist of the elements specified in subparagraph b of paragraph 1 of subsection A of Section 3603 of this title or elements substantially equivalent thereto. For purposes of this section, calculation of the amount of increased payroll shall be measured from the start of initial construction or expansion to the completion of such construction or expansion or for three (3) years from the start of initial construction or expansion, whichever occurs first. The amount of increased payroll shall include payroll for full-time-equivalent employees in this state who are employed by the entity other than the facility which has qualified to receive an exemption pursuant to the provisions of this section and who are leased or otherwise provided to the facility, if such employment did not exist in the state prior to the start of initial construction or expansion of the facility. (These employees must be verifiable through the OESC as mentioned above.) The manufacturing concern shall submit an affidavit to the Tax Commission, signed by an officer, stating that the construction, acquisition or expansion of the facility will result in a net increase in the annualized payroll as required by this paragraph and that full-time-equivalent employees of the facility are or will be offered a basic health benefits plan as required by this paragraph. If, after three (3) years from the start of initial construction or expansion, whichever occurs first, the construction, acquisition or expansion has not resulted in a net increase in the amount of annualized payroll, if required, or has not met any other qualification specified in this paragraph the manufacturing concern shall pay an amount equal to the amount of any exemption granted, including penalties and interest thereon, to the county treasurer, who shall cause such amount to be remitted to the Tax Commission for deposit to the Ad Valorem Reimbursement Fund.

Applications submitted prior to January 1, 2000 shall continue with the FTE requirement. Active affidavits will continue to be monitored. The net increase of 15 FTE must be maintained each of the four subsequent years.

Monthly avg. FTE for 4th qtr. during the acquisition year <b>(1)</b>	Number of FTE in prior year <b>(2)</b>	Net Increase or decrease (Col. 1 less Col. 2) <b>(3)</b>	Avg. of 3rd & 4th qtrly. payroll reported in the acquisition year <b>(4)</b>	Avg. of 3rd & 4th qtrly. payroll reported in prior year. <b>(5)</b>	Net increase or decrease of of payrolls (Col. 4) less (Col. 5) <b>(6)</b>
Yr. ____					
Yr. ____					
Yr. ____					
Yr. ____					
Yr. ____					

**INSTRUCTIONS**

- COLUMN 1:** Enter average number of all full-time employees with benefits at the facility, in the 4th quarter for the applicable tax year.
- COLUMN 2:** Enter average number of all full-time employees with benefits at the facility in the 4th quarter of the prior year. This number will change each year while the exemption is in progress.
- COLUMN 3:** Net increase or decrease in employees. Subtract Column 2 from Column 1.
- COLUMN 4:** Enter average payroll during the 3rd & 4th quarter for the applicable tax year.
- COLUMN 5:** Enter average payroll during the 3rd & 4th quarter for the prior year.
- COLUMN 6:** Net Increase or decrease of payroll. Subtract Column 5 from Column 4.

