

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

(SEE ENCLOSED INSTRUCTIONS)

To County Assessor of Oklahoma County

Year Company was Established in Oklahoma \_\_\_\_\_

Year This Facility became Operational in Oklahoma \_\_\_\_\_

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

Manufacturers Sales Tax Exemption Permit # \_\_\_\_\_

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

Application is hereby made for ad valorem tax exemption on an exempt manufacturing facility or research and development facility located in the above county on January 1, \_\_\_\_, in accordance with the provisions of 68 O.S., 2001, Section 2902.

<b>APPLICANT NAME:</b>
<b>MAILING ADDRESS:</b>
<b>CORPORATE CONTACT NAME AND TELEPHONE:</b>
<b>FACILITY CONTACT NAME AND TELEPHONE:</b>
<b>FACILITY LOCATION:</b>

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

<b>APPLICABLE NAICS CODE(S) AND MATERIALS USED:</b>
<b>MANUFACTURING ACTIVITY DESCRIPTION:</b>

2. Is the facility a research and development facility as defined in Title 68 O.S. 2001 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**

**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: \_\_\_\_\_

**For Use by Assessor**

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

Real Property: 11%

Personal Property: 14%

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

Ad Valorem Reference Number: \_\_\_\_\_

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. 2001, Section 2902**

**FACILITY** \_\_\_\_\_

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

A capital investment of at least \$250,000.00 is required for all facilities with a net increase of \$250,000.00 or more in annualized payroll\* for counties with a population of fewer than 50,000, according to the most recent federal decennial census, or at least \$1,000,000.00 if the facility is located in a county with a population of 50,000 or more, according to the most recent federal decennial census. 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 (Form #929XM) 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 Tax Commission for deposit to the Ad Valorem Reimbursement Fund.

Applications submitted **prior** to January 1, 2004 shall continue with the payroll requirement in place at time of initial application. Active affidavits will continue to be monitored.

Avg. of 3rd & 4th qtrly. payroll reported in the acquisition year  (1)	Avg. of 3rd & 4th qtrly. payroll reported in the acquisition year Multiplied by 4  (2)	Avg. of 3rd & 4th qtrly. payroll reported in prior year.  (3)	Avg. of 3rd & 4th qtrly. payroll reported in prior year. Multiplied by 4  (4)	Net increase or decrease of payroll (Col. 2 less Col. 4)  (5)
Yr. ____				
Yr. ____				
Yr. ____				
Yr. ____				
Yr. ____				

**INSTRUCTIONS**

- COLUMN 1:** Enter average payroll during the 3rd & 4th quarter for the applicable tax year.
- COLUMN 2:** Enter average payroll during the 3rd & 4th quarter for the applicable tax year. Multiplied by 4.  
This number will change each year while the exemption is in progress.
- COLUMN 3:** Enter average payroll during the 3rd & 4th quarter for the applicable tax year.
- COLUMN 4:** Enter average payroll during the 3rd & 4th quarter for the applicable tax year. Multiplied by 4.
- COLUMN 5:** Net increase or decrease of payroll. Subtract Column 2 from Column 4.

**Employee Insurance Carrier** \_\_\_\_\_

**Address of Insurance Carrier** \_\_\_\_\_

**Policy Number:** \_\_\_\_\_

\*"Annualized Payroll" when used in this Section means using the average of the third and fourth quarters for the initial base line calculation and multiplying the result by four. This method shall be used for calculation of the initial base year and all subsequent years. [See 710:10-7-2 (c)(6)]



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

**(OTC FORM 900XM-R7/03)**

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

Submit one application for each year in which assets were acquired. Since each asset group will have a different number of years of remaining eligibility, assets acquired in different years must be separated and submitted on separate applications. In some cases applicants will be filing 5 complete sets of applications, one for each asset group.

The year in which each asset group was acquired should appear in the upper right hand corner of the first page, marked Assets Acquired \_\_\_\_\_.

The tax year for which you are filing the application should appear in the first paragraph of page 1, in the blank marked January 1, \_\_\_\_.

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

You must answer either question 3A, 3B, 3C, 3D, 3E, 4, 4A, 4B, and 4B-1 to indicate which of the 5 possible eligible scenarios applies to your situation.

Question 5 indicates the amounts you are claiming on the exemption on eligible property located in Oklahoma on January 1. You must be explicit and be able to provide documentation to substantiate the amounts reflected on the itemized asset list.

Question 6 pertains to leased assets which are eligible if a state of leasehold equity exists. When the lease is structured as a mortgage or with the lease payments dedicated to debt retirement the assets would be eligible for the exemption.

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

Page 5 is the State of Oklahoma Employment Level and Payroll Affidavit. Complete this form as instructions indicate. The numbers you report must be the exact numbers you reported on the Oklahoma Employment Security Commission form. (OES-3)

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