OKPOLICY
Oklahoma Policy Institute

THE GIST

State Question 847 would further lower Oklahoma's assessment caps for property taxes beginning in 2027. These caps limit how much a property's assessed value can increase each year for tax purposes; property taxes are calculated on this assessed value.

SQ 847 would decrease the assessment cap for homestead and agricultural property in Oklahoma from 3 percent to 1.75 percent. The cap for other real property, including commercial property, would decrease from 5 percent to 4 percent. SQ 847 would not change the state's current senior freeze program. For seniors with income above the current limit for the senior freeze program, it would add additional assessment cap tiers ranging from 0.35 percent to 1.75 percent, depending on income.

State Question 847 would lower Oklahoma's assessment caps for property taxes

HISTORICAL OVERVIEW

Voters in 1996 approved SQ 676 that created a 5 percent assessment cap on all property into the state constitution. In 2013, voters approved SQ 748, which lowered the assessment cap to 3 percent for homestead-exempt and agricultural properties. The 5 percent assessment cap remained in place for all other properties.

Assessment caps were instituted as a protective measure to prevent assessed values — and by proxy, property taxes — from skyrocketing. For example, your home's market value might go up by 10 percent in a given year. However, the assessed value used to calculate your property taxes can only increase by up to 3 percent each year. **SQ 847 would reduce these assessment caps from 3 to 1.75 percent for homestead and agricultural land and from 5 to 4 percent for all other property.**

The senior property tax freeze, instituted in 1996, allows seniors aged 65 or older to freeze their property taxes at the value it is at the time of applying. To qualify, the household income must be at or below 100 percent of the county median household income. **SQ 847 maintains the senior freeze as it is and proposes to create a tiered assessment cap for seniors making above the income qualification for the senior freeze:**

% HUD county median household income	100% or less	100% - 120%	120% - 140%	140% - 160%	160% - 180%	Over 180%
Assessment cap	0% (current law/senior freeze)	0.35%	0.70%	1.05%	1.40%	1.75%

BACKGROUND INFORMATION

Lawmakers have said SQ 847 is meant to give Oklahomans some relief from property taxes. However, it could end up raising yearly property tax bills. Local governments may need to raise millage rates to make required bond payments for local projects that have already been approved by voters.

In Oklahoma, property taxes are a primary source of local revenue that helps fund public schools, CareerTech, county governments and other local services. Property tax revenue stays in local communities rather than going to the state.

Lower assessment caps would further limit how much taxable property values can grow year to year. That can slow future property tax increases for property owners, but it also would slow the growth of revenue available to schools and local governments.

BALLOT LANGUAGE

"This measure amends Section 8B and Section 8C of Article 10 of the Oklahoma Constitution. Section 8B currently limits annual growth in fair cash value of most types of real property to five percent (5%) or to three percent (3%) for homesteads. For real property for which a homestead exemption is granted and real property classified as agricultural land, it would limit growth to one and seventy-five-hundredths percent (1.75%) for 2027 and subsequent years. For other types of real property, it would limit growth in fair cash value to four percent (4%) annually.

The measure would change Section 8C in Article 10 that prohibits any increase in fair cash value of homestead property for persons age sixty-five (65) or older whose income does not exceed certain limits. This provision is sometimes referred to as the "senior freeze". Instead of prohibiting any increase in fair cash value for these homesteads, there would be an annual limit of one and seventy-five-hundredths percent (1.75%). The income test for this new structure would be different. The annual limit could be reduced based on how much gross household income the homestead owner had in the preceding year. Depending on the amount of gross household income the property owner had in the preceding year, if the income level was one hundred percent (100%) or less of the income amount determined using an income measurement from federal law, the fair cash value of the homestead could not increase. If the income amount was in excess of certain thresholds, the limit on increases in fair cash value for homesteads owned by persons age sixty-five (65) or older could be thirty-five-hundredths percent (0.35%), seven-tenths percent (0.7%), one and five-hundredths percent (1.05%), one and four-tenths percent (1.4%) or one and seventy-five-hundredths percent (1.75%).

SHALL THE PROPOSAL BE APPROVED?
FOR THE PROPOSAL – YES; AGAINST THE PROPOSAL – NO
A "YES" vote is a vote in favor of this measure. A "NO" vote is a vote against this measure."

SUPPORTERS SAY...

- ✓ Property taxes are unaffordable and this provides some relief in the long term without harming local services.
- ✓ Current local revenue is not cut. Instead, the future growth of revenue is slowed. This **allows local entities to adjust future budgets and lower costs without facing cuts** to services.
- ✓ **Seniors on fixed incomes who make more than the median household income** in their county and don't currently qualify for the senior freeze **could get property tax relief if they qualify** for a lower assessment cap, based on their income.
- ✓ The tiered assessment cap structure for seniors making between 100 percent and 180 percent of the median county household income is a progressive tax structure. This indicates it is more equitable than the current system for seniors in those income brackets.

OPPONENTS SAY...

- ✗ **SQ 847 is not a tax cut.** Homeowner's current tax bills will not go down.
- ✗ SQ 847 **could increase property taxes for all homeowners — including seniors participating in the senior freeze program.** If enacted, SQ 847 would reduce future revenue for schools and local governments that have existing bonds to pay for local projects. Because these bond payments must still be made, local governments may need to raise millage rates in order to keep making scheduled payments. A millage rate is the tax rate applied to a property's taxable value. If the millage rate goes up, the property tax bill goes up for all property owners, even if the property's taxable value stays the same.
- ✗ **Wealthy corporations will get property tax relief when they already do not pay what they owe to maintain and enhance local services in the communities in which they operate.** Corporations that own property in Oklahoma will see large benefits as their tax liability will decrease compared to current law.
- ✗ SQ 847 **will benefit long-term homeowners while shifting costs onto new homebuyers and young families.** When a home is sold, its taxable market value resets to the home's sales price. If the home has been protected by assessment caps for many years, the new owner could see a significantly higher property tax bill.
- ✗ SQ 847 **puts the rate of growth below inflation** for the majority of properties. Public services reliant on property tax revenue **will see eroding services as their budgets cannot keep up with inflation.** Public schools in rural Oklahoma already operating on the margins will face financial hardships. It could lead to more **schools becoming reliant on the state school funding formula and could force school consolidation.**
- ✗ **Local control is diminished.** Property taxes allow people to decide for themselves how they want to invest in their communities by leveraging bonds or taxes. When property tax revenue is decreased, the bonding capacity of local entities decreases as well, leaving communities with less power to invest in themselves and reducing their local control.

ELECTION DEADLINES

VOTER REGISTRATION DEADLINE

- Postmarked or Delivered by Friday, October 9, 2026 at 5:00 p.m.

ABSENTEE BALLOT REQUEST DEADLINE

- Received by Monday, October 19, 2026.

ABSENTEE BALLOT SUBMISSION DEADLINE

- Received or Hand Delivered by Tuesday, November 3, 2026 at 7:00 p.m.

EARLY VOTING

- Wednesday, October 28, 2026: 8:00 a.m. - 6:00 p.m.
- Thursday, October 29, 2026: 8:00 a.m. - 6:00 p.m.
- Friday, October 30, 2026: 8:00 a.m. - 6:00 p.m.
- Saturday, October 31, 2026: 8:00 a.m. - 2:00 p.m.

DAY OF ELECTION

- Tuesday, November 3, 2026: 7 a.m. - 7 p.m.

Visit the Oklahoma Voter Portal at okvoterportal.okelections.us for your voting information, including polling location.