

Office is necessary if a federal income tax exemption of interest earned is allowed on private activity bonds.

### **3. General Obligation Limited Tax Bonds (GOLTBs)**

(Art. 10, § 35, Okla. Const.)

For more information, contact the Oklahoma Department of Commerce at (405) 815-5359 or [don\\_hackler@odoc.state.ok.us](mailto:don_hackler@odoc.state.ok.us).

Many Oklahoma counties and cities have approved the issuance of General Obligation Limited Tax Bonds for industrial development projects. Generally, these “revenue bonds” are issued in association with a particular private activity project. Revenues generated by the project in the form of income are used to retire the bonds. If revenue generated by the project is inadequate to retire the bonds, then a levy will be placed on the property taxes of the jurisdiction in order to retire the bonds. The property tax levy is only used if project generated revenues are inadequate to meet interest and principal payments on the bonds. GOLTBs have been used since the early 1960s to finance a wide variety of economic development projects throughout the state. Information can be obtained from local and county Industrial Development Authorities, County Treasurers, Assessors, and/or the Oklahoma Department of Commerce.

### **4. Tax Increment Financing (TIF)**

(62 O.S. §§ 850 et seq.)

For more information, contact the Oklahoma Department of Commerce at (405) 815-5148 or by email at [jonna\\_kirschner@odoc.state.ok.us](mailto:jonna_kirschner@odoc.state.ok.us).

Cities and counties in Oklahoma may create tax increment districts to provide funding for economic development in distressed areas for up to 25 years. The tax increment is determined in accordance with the following: The base assessed value includes all real and personal property on the tax rolls and assessed as of January 1st of the year during which the district is designated.

Incremental tax dollars are those assessed in excess of the base on the first January 1<sup>st</sup> after the district has been declared, and continuously until the increment district ceases, less the amount attributable to change in assessment ratio for real and personal property in the county.

Proceeds from tax increment financing may be used in accordance with approved plans for project areas such as facilities, infrastructure, parks, sidewalks, and other public projects.

### **5. The Oklahoma Local Development and Enterprise Zone Incentive Leverage Act**

(62 O.S. § 840 et seq.)

Provides funding for local units of government to match local tax revenue dedicated to support a project located in an enterprise zone, in support of a major tourism destination, or in support of a military growth impact. At a minimum, all projects must meet the following requirements: