

"AN ACT TO AMEND SUBSECTION (A) OF SECTION 12 OF ACT 153 OF 1955, AS AMENDED [ARK. STAT. 84-477(A)] TO AUTHORIZE THE ASSESSMENT COORDINATION DIVISION TO USE SALES AND APPRAISALS IN THE DEVELOPMENT OF RATIO STUDIES OF ASSESSMENTS TO MARKET VALUE."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Subsection (A) of Section 12 of Act 153 of 1955, as amended, the same being Arkansas Statute 84-477(A), is hereby amended to read as follows:

"(A) Ratio of assessed value to market value - Determination - Effect on state or turnback funds. (A) The Assessment Coordination Division [Public Service Commission] shall prepare a ratio study for the purpose of determining the average ratio of assessed value to the true and full market or actual value of real property, by classifications, in each of the several counties and school districts of the State. This ratio study shall be based on sales/assessment ratios, supplemented with appraisal/assessment ratios as required to meet generally accepted statistical techniques. The study shall determine the actual assessment level of Real Estate as required by law, (including value of Agricultural lands that qualify for use/productivity valuation) by classification such as Residential, Commercial/Industrial, Agricultural, etc. The sales/assessment ratio study shall include sales data for the calendar year previous to the assessment year and the Assessment Coordination Division shall report the preliminary sales/assessment ratio studies to the Assessor and County Judge on or before February 1 of the assessment year. The Assessment Coordination Division shall supplement the sales assessment ratio with appraisals as required and report the original combined real property ratios to the Assessor, County Judge and to the proper fiscal officials that disburse all state aid or turnback from all sources accruing to such county, municipalities and school districts by August 1 of the assessment year and each subsequent year.

In conducting the studies the Assessment Coordination Division shall use generally accepted valuation procedures, statistical compilation and analysis techniques found in the International Association of Assessing Officers standards on ratio studies."

SECTION 2. All laws and parts of laws in conflict with this Act are hereby repealed.

APPROVED: April 8, 1987

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