

As Engrossed: 3/13/91

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Representative Goodwin**

A BILL ACT 655 OF 1991
HOUSE BILL 1414

For An Act To Be Entitled

8 "AN ACT TO AMEND ARK. CODE ANN. §26-51-601 ET SEQ. TO
9 PERMIT ELDERLY ARKANSANS WHO ARE AT LEAST 62 YEARS OLD TO
10 CLAIM PROPERTY TAX REFUNDS DURING THE FIRST YEAR OF
11 QUALIFICATION; AND FOR OTHER PURPOSES."

12
13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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15 SECTION 1. Ark. Code Ann. §26-51-601 is hereby amended to read as
16 follows:

17 "It is the purpose and the intent of this subchapter to prescribe a
18 procedure whereby residents of this state who are sixty-two (62) years of age
19 or older, who own and pay ad valorem property taxes on their homes, may claim
20 a refund from the state for a portion of the property taxes paid on their
21 homes to lessen the burden placed upon these taxpayers by the ad valorem
22 property taxes levied upon their homes."

23
24 SECTION 2. Ark. Code Ann. §26-51-602 is hereby amended to read as
25 follows:

26 "As used in this subsection, unless the context otherwise requires:

27 (1) 'Income' means gross income as defined in the Arkansas Income Tax
28 Act, as amended, §26-51-101 et seq., less deductions allowed under
29 §26-51-423(a)(1). It shall also include alimony, support money, cash public
30 assistance and relief, but shall not include relief granted under this
31 subchapter; the gross amount of any pension or annuity, including all monetary
32 retirement benefits from whatever source derived including but not limited to
33 railroad retirement benefits, all payments received under the federal Social
34 Security Act, and veterans' disability pensions; all dividends and interest
35 from whatever source derived not included in gross income, workers'
36 compensation, and the gross amount of 'loss of time insurance' but does not

1 include gifts from nongovernmental sources, surplus food, or other relief in
2 kind supplied by a governmental agency. However, in the case of a claimant
3 who is a World War I veteran of the United States armed services or the widow
4 of such a veteran, the term 'income' as used herein shall not include federal
5 or state retirement or pension benefits or disability benefits, railroad
6 retirement benefits, or social security benefits;

7 (2) 'Household' means a claimant, or a claimant and an individual
8 related to the claimant as husband or wife;

9 (3) 'Household income' means the combined income received by members
10 of a household during a calendar year;

11 (4) 'Claimant' means a person who has filed a claim for a refund under
12 the provisions of this subchapter;

13 (5) 'Homestead' means a dwelling owned by a claimant and used as his
14 principal place of abode and including the parcel of land on which the
15 dwelling is situated and all lands contiguous thereto. However, no dwelling
16 and the lands on which it is located shall be considered a homestead for the
17 purposes of this subchapter unless the claimant has resided thereon for at
18 least one (1) year. Further, a mobile home which is affixed to the realty and
19 is taxed as real property may qualify as a homestead for the purposes of this
20 subchapter;

21 (6) 'Property taxes' means all ad valorem taxes exclusive of special
22 assessments and delinquent charges, levied and paid on a claimant's homestead
23 during any particular year involved."

24

25 SECTION 3. Ark. Code Ann. §26-51-603(a) is hereby amended to read as
26 follows:

27 "(a) Any person sixty-two (62) years of age or older, who has been a
28 resident of this state for two (2) years or more, who owns and has resided in
29 a homestead in this state for a period of one (1) year or more, may, subject
30 to the limitations and requirements prescribed in this subchapter, file a
31 claim in the manner provided by this subchapter for a cash refund for ad
32 valorem property taxes paid upon the homestead of the claimant during or after
33 the third year of residency in this state, up to the limits prescribed in
34 §26-51-607."

35

1 SECTION 4. Ark. Code Ann. 26-51-604(a) is hereby amended to read as
2 follows:

3 "(a) Any person desiring to file a claim for a cash refund under the
4 provisions of this subchapter shall file the claim with the Department of
5 Finance and Administration on forms prescribed by that department and shall
6 furnish such information to substantiate the claim as is provided in this
7 section, or as may be prescribed by regulation of the Department of Finance
8 and Administration."

9

10 SECTION 5. Ark. Code Ann. §26-51-607 is hereby amended to read as
11 follows:

12 "(a) The amount of any cash refund allowed or made pursuant to the
13 provisions of this subchapter shall be determined as follows:

14 (1) If the household income of the claimant's household was seven
15 thousand dollars (\$7,000) or less during the income year, the claimant shall
16 be entitled to file a claim for an amount equal to the ad valorem taxes paid
17 on the claimant's homestead; however, the maximum refund any claimant may
18 receive under this subdivision shall be two hundred fifty dollars (\$250);

19 (2) If the household income of the claimant's household is more than
20 seven thousand dollars (\$7,000) but not more than eight thousand dollars
21 (\$8,000) for the income year, the claimant shall be entitled to file a claim
22 for an amount equal to the ad valorem taxes paid on the claimant's homestead;
23 however, the maximum refund any claimant may receive under this subdivision
24 shall be two hundred dollars (\$200);

25 (3) If the household income of the claimant's household is more than
26 eight thousand dollars (\$8,000) but not more than nine thousand dollars
27 (\$9,000) for the income year, the claimant shall be entitled to file a claim
28 for an amount equal to the ad valorem taxes paid on the claimant's homestead;
29 however, the maximum refund any claimant may receive under this subdivision
30 shall be one hundred fifty dollars (\$150);

31 (4) If the household income of the claimant's household is more than
32 nine thousand dollars (\$9,000) but not more than ten thousand dollars
33 (\$10,000) for the income year, the claimant shall be entitled to file a claim
34 for an amount equal to the ad valorem taxes paid on the claimant's homestead;
35 however, the maximum refund any claimant may receive under this subdivision

1 shall be one hundred dollars (\$100);

2 (5) If the household income of the claimant's household is more than
3 ten thousand dollars (\$10,000) but not more than eleven thousand dollars
4 (\$11,000) for the income year, the claimant shall be entitled to file a claim
5 for an amount equal to the ad valorem taxes paid on the claimant's homestead;
6 however, the maximum refund any claimant may receive under this subdivision
7 shall be seventy-five dollars (\$75.00);

8 (6) If the household income of the claimant's household is more than
9 eleven thousand dollars (\$11,000) but not more than twelve thousand dollars
10 (\$12,000) for the income year, the claimant shall be entitled to file a claim
11 for an amount equal to the ad valorem taxes paid on the claimant's homestead;
12 however, the maximum refund any claimant may receive under this subdivision
13 shall be fifty dollars (\$50.00).

14 (b) The refund shall be paid to the claimant as a cash refund.
15 However, no interest shall be allowed on any payment made to a claimant under
16 the provisions of this subchapter.

17 (c) If a claimant or another member of the household has any
18 outstanding tax liability to the State of Arkansas, the amount of any claim
19 otherwise payable under this subchapter, or such portion thereof as is
20 necessary, shall be applied to the payment of the outstanding tax liability."
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22 SECTION 6. All provisions of this act of a general and permanent nature
23 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
24 Revision Commission shall incorporate the same in the Code.

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26 SECTION 7. If any provision of this act or the application thereof to
27 any person or circumstance is held invalid, such invalidity shall not affect
28 other provisions or applications of the act which can be given effect without
29 the invalid provision or application, and to this end the provisions of this
30 act are declared to be severable.

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32 SECTION 8. All laws and parts of laws in conflict with this act are
33 hereby repealed.

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35 SECTION 9. *This act shall be effective on and after January 1, 1992.*

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/s/Larry Goodwin

APPROVED: 3-20-91