

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 84th General Assembly  
3 Regular Session, 2003  
4

As Engrossed: S3/18/03 H3/25/03

# A Bill

Act 1354 of 2003  
SENATE BILL 560

5 By: Senators Wooldridge, Miller, Glover  
6 By: Representative R. Smith  
7

## For An Act To Be Entitled

10 AN ACT TO CLARIFY THE PROHIBITED CONDUCT,  
11 PENALTIES, AND TIME LIMITATIONS REGARDING THE  
12 HOMESTEAD PROPERTY TAX CREDIT; AND FOR OTHER  
13 PURPOSES.  
14

### Subtitle

16 TO CLARIFY THE PROHIBITED CONDUCT,  
17 PENALTIES, AND TIME LIMITATIONS  
18 REGARDING THE HOMESTEAD PROPERTY TAX  
19 CREDIT.  
20  
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
23

24 SECTION 1. Arkansas Code § 26-26-1119 is amended to read as follows:

25 26-26-1119. ~~Penalties~~ Prohibited conduct – Penalties – Time  
26 limitation.

27 (a)(1) No property owner shall claim more than one (1) homestead  
28 property tax credit for each year.

29 (2)(A) If the county assessor determines that a property owner  
30 ~~claims~~ has claimed more than one (1) homestead property tax credit in a year,  
31 in addition to repayment of the homestead property tax credit, the designated  
32 preparer of tax books shall extend a penalty of ~~ten percent (10%)~~ one hundred  
33 percent (100%) of the amount of the unlawfully claimed homestead property tax  
34 credit ~~claimed shall be assessed and collected from the property owner.~~

35 (B)(i) If the property owner has unlawfully claimed a  
36 homestead property tax credit in a county other than the county where his or



1 her lawfully claimed homestead property tax credit was claimed, then the  
 2 property owner shall pay the entire amount of the unlawfully claimed  
 3 homestead property tax credit and the penalty at the time of payment of the  
 4 property owner's taxes.

5 (ii) If the property owner has unlawfully claimed a  
 6 homestead property tax credit in the same county that he or she lawfully  
 7 claimed a homestead property tax credit, then the property owner shall elect  
 8 to either:

9 (a) Pay the entire amount of an unlawfully  
 10 claimed homestead property tax credit and the penalty at the time of payment  
 11 of the property owner's taxes; or

12 (b) Not claim a homestead property tax credit  
 13 on any property in the county, or on any other property in the state, for two  
 14 (2) years for each year that the credit was claimed unlawfully.

15 (C) In order to qualify for the homestead property tax  
 16 credit after repayment of an unlawfully claimed homestead property tax credit  
 17 and payment of a penalty, the property owner shall register with the assessor  
 18 according to § 26-26-1118(c)(2)(A).

19 (b)(1) Every property owner shall report to the county assessor a  
 20 change in eligibility to claim a property tax credit or a change in use of  
 21 the property prior to January 1 of the year following the change.

22 ~~Upon a determination by the county assessor~~ If the county  
 23 assessor determines that a property owner has failed to report a change in  
 24 the eligibility to claim a property tax credit or has failed to register a  
 25 required change in the use of the property, the ~~county assessor~~ designated  
 26 preparer of tax books shall ~~assess~~ extend, in addition to repayment of the  
 27 unlawfully claimed homestead property tax credit, the correct property tax  
 28 due along with a penalty of ~~ten percent (10%)~~ one hundred percent (100%) of  
 29 the amount of the unlawfully claimed homestead property tax credit.

30 (3)(A) If the property owner has unlawfully claimed a homestead  
 31 property tax credit in a county other than the county where his or her  
 32 lawfully claimed homestead property tax credit was claimed, then the property  
 33 owner shall pay the entire amount of the unlawfully claimed homestead  
 34 property tax credit and the penalty at the time of payment of the property  
 35 owner's taxes.

36 (B) If the property owner has unlawfully claimed a

1 homestead property tax credit in the same county that he or she lawfully  
2 claimed a homestead property tax credit, then the property owner shall elect  
3 to either:

4 (i) Pay the entire amount of an unlawfully claimed  
5 homestead property tax credit and the penalty at the time of payment of the  
6 property owner's taxes; or

7 (ii) Not claim a homestead property tax credit on  
8 any property in the county, or on any other property in the state, for two  
9 (2) years for each year that the credit was claimed unlawfully.

10 (c)(1) Penalties assessed under this section shall bind the real  
11 property and shall be entitled to preference over all judgments, executions,  
12 encumbrances, or liens, whenever created, until the penalties are repaid.

13 (2) Penalties collected under this section shall be remitted to  
14 the county treasurer to be credited to the county general fund.

15 (d)(1) The debt owed for the repayment of an unlawfully claimed  
16 homestead property tax credit assessed under this section shall bind the real  
17 property and shall be entitled to preference over all judgments, executions,  
18 encumbrances, or liens, whenever created, until it is repaid.

19 (2) ~~Property tax collected~~ Homestead property tax credits repaid  
20 under this section from a person who was not entitled to claim a credit shall  
21 be remitted to the Treasurer of State for deposit to the Property Tax Relief  
22 Trust Fund.

23 (e)(1) The property owner may appeal to the county court the  
24 determination by a county assessor that:

25 (A) The property owner shall repay an unlawfully claimed  
26 homestead property tax credit;

27 (B) The property owner shall pay penalties; or

28 (C) Any other determination that the property owner has  
29 violated this section.

30 (2) To appeal the determination by a county assessor, the  
31 property owner must file a petition with the county court within thirty (30)  
32 days from the date of the determination by the county assessor.

33 (3) After the petition is filed, the county court shall set a  
34 hearing within thirty (30) days after the filing of the petition.

35 (4) At the hearing, the property owner and county assessor shall  
36 present evidence to support their positions.



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