

Stricken language would be deleted from and underlined language would be added to present law.
Act 89 of the 2nd Extraordinary Session

1 State of Arkansas

As Engrossed: H2/2/04 S2/4/04 S2/5/04

Call Item 6

2 84th General Assembly

A Bill

3 Second Extraordinary Session, 2003

HOUSE BILL 1162

4

5 By: Representatives Stovall, Mahony, Jackson

6

7

8

For An Act To Be Entitled

9 AN ACT TO INCREASE THE UNIFORM RATE OF AD VALOREM
10 PROPERTY TAX BY THREE (3) MILLS SUBJECT TO THE
11 APPROVAL OF THE VOTERS IN THIS STATE TO BE USED
12 SOLELY FOR MAINTENANCE AND OPERATION OF PUBLIC
13 SCHOOLS; AND FOR OTHER PURPOSES.

14

15

Subtitle

16

TO INCREASE THE UNIFORM RATE OF AD

17

VALOREM PROPERTY TAX BY THREE (3) MILLS

18

SUBJECT TO THE APPROVAL OF THE VOTERS IN

19

THIS STATE TO BE USED SOLELY FOR

20

MAINTENANCE AND OPERATION OF PUBLIC

21

SCHOOLS.

22

23

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

25

26 SECTION 1. Legislative findings.

27 The General Assembly of the State of Arkansas has determined that there
28 is an immediate need for more money in order to maintain and operate the
29 public schools in this state. These improvements are necessary to provide
30 for an adequate education for Arkansas students. The General Assembly has
31 determined that the current ad valorem property tax of twenty-five (25) mills
32 established by Amendment 74 of the Arkansas Constitution for maintenance and
33 operation is inadequate for the maintenance and operation of public schools.
34 The General Assembly finds that the best way to provide a quality education
35 is by increasing the uniform rate of ad valorem property tax under Amendment
36 74 of the Arkansas Constitution to twenty-eight (28) mills.



1
2 SECTION 2. Authorization.

3 Arkansas Constitution, Amendment 74(b)(4) authorizes the General
4 Assembly to propose an increase in the uniform rate of tax and submit the
5 question to the electors of the state at the next general election.
6

7 SECTION 3. Millage levied.

8 Subject to the approval of the voters at the next general election,
9 there is established a uniform rate of ad valorem property tax of twenty-
10 eight (28) mills to be levied on the assessed value of all taxable real,
11 personal, and utility property in the state to be used solely for maintenance
12 and operation of schools.
13

14 SECTION 4. Election.

15 (a) Findings. The uniform rate of ad valorem property tax established
16 by Arkansas Constitution, Amendment 74(b)(1) may only be increased by a
17 majority of the electors of the state voting on the issue at the next general
18 election and voting "For" the proposed increase in the uniform rate of tax.

19 (b) Certification of measure. The Secretary of State shall certify to
20 the county board of election commissioners of each county the measure
21 provided in subsection (d) of this section to appear on the ballot at the
22 next general election.

23 (c) Publication. The measure provided in subsection (d) of this
24 section shall be published in the same manner as provided in Arkansas Code §§
25 7-9-113 and 7-5-206.

26 (d) Ballot title.

27 (1) The ballot title shall be in the following form:

28 "TO INCREASE THE ESTABLISHED UNIFORM RATE OF AD VALOREM PROPERTY TAX
29 UNDER AMENDMENT 74(b)(1) OF THE ARKANSAS CONSTITUTION BY THREE (3) MILLS FROM
30 TWENTY-FIVE (25) MILLS TO A TOTAL OF TWENTY-EIGHT (28) MILLS BY AMENDING
31 ARKANSAS CODE TITLE 26, CHAPTER 80, SUBCHAPTER 2 TO ADD A NEW SECTION TO READ
32 AS FOLLOWS:

33 26-80-208. Uniform rate of ad valorem property tax.

34 (a)(1) There is established a uniform rate of ad valorem property tax
35 of twenty-eight (28) mills to be levied on the assessed value of all taxable
36 real, personal, and utility property in the state to be used solely for

1 maintenance and operation of the schools.

2 (2) The established uniform rate of ad valorem property tax of
3 twenty-eight (28) mills is equal to the twenty-five (25) mills levied under
4 Arkansas Constitution, Amendment 74, and an additional three (3) mills levied
5 under this section.

6 (3)(A) Except as provided in this subdivision (a)(3) the
7 additional three (3) mills levied under this section shall not be an
8 additional levy for maintenance and operation of the schools but shall
9 replace a portion of the existing rate of tax levied by each school district
10 available for maintenance and operation of schools in the school district.
11 The rate of tax available for maintenance and operation levied by each school
12 district on the effective date of this section shall be reduced to reflect
13 the levy of the uniform rate of tax.

14 (B)(i) If the rate of tax available for maintenance and
15 operation levied by a school district on the effective date of this section
16 exceeds twenty-eight (28) mills, the excess rate of tax shall continue to be
17 levied by the school district until changed pursuant to Amendment 74 of the
18 Arkansas Constitution.

19 (ii) If the rate of tax available for maintenance and
20 operation levied by a school district on the effective date of this section
21 is less than twenty-eight (28) mills, the uniform rate of tax of twenty-eight
22 (28) mills shall nevertheless be levied in the district.

23 (b)(1) This section shall be effective January 1, 2005.

24 (2) The uniform rate of ad valorem property tax of twenty-eight
25 (28) mills shall apply beginning with the assessment of property in 2004 for
26 which taxes are collected in 2005."

27
28 (2) The ballot title shall be followed by these words:

29 "[] FOR increasing the established uniform rate of ad valorem property
30 tax by three (3) mills from twenty-five (25) mills to a total of twenty-eight
31 (28) mills.

32
33 [] AGAINST increasing the established uniform rate of ad valorem
34 property tax by three (3) mills from twenty-five (25) mills to a total of
35 twenty-eight (28) mills."

36

1 SECTION 5. If approved by the voters at the 2004 general election,
2 Arkansas Code Title 26, Chapter 80, Subchapter 2 is amended to add an
3 additional section to read as follows:

4 26-80-208. Uniform rate of ad valorem property tax.

5 (a)(1) There is established a uniform rate of ad valorem property tax
6 of twenty-eight (28) mills to be levied on the assessed value of all taxable
7 real, personal, and utility property in the state to be used solely for
8 maintenance and operation of the schools.

9 (2) The established uniform rate of ad valorem property tax of
10 twenty-eight (28) mills is equal to the twenty-five (25) mills levied under
11 Arkansas Constitution, Amendment 74, and an additional three (3) mills levied
12 under this section.

13 (3)(A) Except as provided in this subdivision (a)(3) the
14 additional three (3) mills levied under this section shall not be an
15 additional levy for maintenance and operation of the schools but shall
16 replace a portion of the existing rate of tax levied by each school district
17 available for maintenance and operation of schools in the school district.
18 The rate of tax available for maintenance and operation levied by each school
19 district on the effective date of this section shall be reduced to reflect
20 the levy of the uniform rate of tax.

21 (B)(i) If the rate of tax available for maintenance and
22 operation levied by a school district on the effective date of this section
23 exceeds twenty-eight (28) mills, the excess rate of tax shall continue to be
24 levied by the school district until changed pursuant to Amendment 74 of the
25 Arkansas Constitution.

26 (ii) If the rate of tax available for maintenance
27 and operation levied by a school district on the effective date of this
28 section is less than twenty-eight (28) mills, the uniform rate of tax of
29 twenty-eight (28) mills shall nevertheless be levied in the district.

30 (b)(1) This section shall be effective January 1, 2005.

31 (2) The uniform rate of ad valorem property tax of twenty-eight
32 (28) mills shall apply beginning with the assessment of property in 2004 for
33 which taxes are collected in 2005.

34
35 /s/ Stovall

36 APPROVED: 2/10/2004