

1 **State of Arkansas**  
2 **79th General Assembly**  
3 **Regular Session, 1993**  
4 **By: Representative Mahony**

# A Bill

**HOUSE BILL**

## For An Act To Be Entitled

8 "AN ACT TO AMEND ARK. CODE ANN. § 26-36-303 TO INCLUDE THE  
9 DEPARTMENT OF HIGHER EDUCATION AS A CLAIMANT AGENCY FOR  
10 THE SETOFF OF DEBTS AGAINST STATE TAX REFUNDS; AND FOR  
11 OTHER PURPOSES."

## Subtitle

14 "TO INCLUDE THE DEPARTMENT OF HIGHER EDUCATION AS A  
15 CLAIMANT AGENCY FOR SETOFF OF DEBTS AGAINST STATE TAX  
16 REFUNDS."

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

20 SECTION 1. Arkansas Code 26-36-303 is hereby amended to read as  
21 follows:

22 "26-36-303. Definitions. As used in this subchapter, unless the  
23 context otherwise requires:

24 (1) Claimant agencies means:

- 25 (A) State-supported colleges and universities;
- 26 (B) The Department of Human Services;
- 27 (C) The Arkansas Student Loan Authority;
- 28 (D) The Student Loan Guarantee Foundation of Arkansas;
- 29 (E) The Auditor of State; and
- 30 (F) The Department of Higher Education;

31 (2) Debtor means any individual owing money to or having a delinquent  
32 account with any claimant agency, which obligation has not been adjudicated,  
33 satisfied by court order, set aside by court order, or discharged in  
34 bankruptcy;

35 (3) (A) Debt means any liquidated sum due and owing any claimant

1 agency which has accrued through contract, subrogation, tort, operation of  
2 law, or any other legal theory, regardless of whether there is an outstanding  
3 judgment for that sum.

4 (B) Debt shall include accrued obligations due to an assignment  
5 of child support rights made to the state as a condition of eligibility for  
6 welfare assistance and those which have accrued from contract with the  
7 claimant agency by an individual who is not the recipient of welfare  
8 assistance.

9 (C) Debt shall also include the owing of money to a claimant  
10 agency as result of a debtor cashing both the original and the duplicate state  
11 warrants;

12 (4) Division means the Revenue Division of the Department of Finance  
13 and Administration;

14 (5) Refund means the Arkansas income tax refund which the division  
15 determines to be due any individual taxpayer, less any amounts determined by  
16 the division to be due to the division for payment of any state tax as defined  
17 in the Arkansas Tax Procedure Act, as amended, § 26-18-101 et seq.;

18 (6) Setoff means withholding of part or all of income tax refunds due  
19 individuals who owe debts to the State of Arkansas."

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21 SECTION 2. All provisions of this act of a general and permanent nature  
22 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
23 Revision Commission shall incorporate the same in the Code.

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25 SECTION 3. If any provision of this act or the application thereof to  
26 any person or circumstance is held invalid, such invalidity shall not affect  
27 other provisions or applications of the act which can be given effect without  
28 the invalid provision or application, and to this end the provisions of this  
29 act are declared to be severable.

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31 SECTION 4. All laws and parts of laws in conflict with this act are  
32 hereby repealed.

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