

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 AUTHORIZING LOCAL SCHOOL DISTRICTS TO ESTABLISH
9 SENIOR CITIZEN PROPERTY TAX REBATE PROGRAMS WHEREBY A
10 QUALIFIED OWNER OF A HOMESTEAD MAY PERFORM PUBLIC SERVICE
11 FOR THE LOCAL SCHOOL DISTRICT IN EXCHANGE FOR A TAX
12 REFUND; AND FOR OTHER PURPOSES."

Subtitle

14 "AN ACT AUTHORIZING LOCAL SCHOOL DISTRICTS TO ESTABLISH
15 SENIOR CITIZEN PROPERTY TAX REBATE PROGRAMS."
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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20 SECTION 1. It is the purpose of this Act to prescribe a procedure
21 whereby local school districts may establish a cooperative program with
22 persons who are sixty-two (62) years of age or older, have been a resident of
23 this state for two (2) years or more, who own and have resided in a homestead
24 in this state for a period of one (1) year or more, and who pay ad valorem
25 property taxes on the homestead, so the persons may, subject to the
26 limitations and requirements prescribed in this Act, reduce the ad valorem
27 property tax burden levied upon the homestead in exchange for performing
28 public service for the benefit of the local school district.

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30 SECTION 2. As used in this Act, unless the context otherwise requires:

31 (1) "Homestead" means the owner-occupied residence of the taxpayer;

32 (2) "Tax Rebate Program" means any program established pursuant to the
33 provisions of this Act;

34 (3) "Real Property Taxes" means the ad valorem taxes levied on a
35 homestead by the directors of a school district for the support of the schools

1 in the district;

2 (4) "Taxing Entity" means a local school district within the State of
3 Arkansas.

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5 SECTION 2. (a) A taxing entity that levies real property taxes may
6 establish a tax rebate program in accordance with the provisions of this Act
7 allowing a taxpayer who is at least sixty two (62) years of age and a resident
8 of this state for a minimum of two (2) years, who owns and has resided in a
9 homestead in this state for a period of one (1) year or more to work a number
10 of hours designated by and for the taxing entity and, in return, to file a
11 claim in the manner provided by this Act for a cash refund for real property
12 taxes paid upon the taxpayer_s homestead during or after a third year of
13 residency in this state, up to the limits prescribed in Section 6.

14 (b) In order to qualify for participation in any tax rebate program
15 created pursuant to the provisions of this Act, the following requirements
16 shall be satisfied at the time the taxpayer files an application for
17 participation with the local school district and so long thereafter as the
18 taxpayer may participate in such tax rebate program:

19 (1) The property on which the real property taxes are due and
20 owing is the homestead of the taxpayer making application;

21 (2) The taxpayer must, singly or jointly with another person
22 residing in the homestead, own the fee simple estate or be purchasing the fee
23 simple estate under a recorded instrument of sale; except that nonresidence of
24 the joint owner in the homestead because of ill health of the joint owner
25 shall not prevent the taxpayer from meeting the requirements of this
26 subsection;

27 (3) The property on which the real property taxes are due and
28 owing is not income-producing.

29 (c) The total tasks and hours of work to be performed by a taxpayer
30 pursuant to any tax rebate program shall be those designated by the local
31 school district board of directors, with no credit given for partial
32 performance.

33 (d) A tax rebate program shall be created upon the adoption of a
34 resolution by the governing body of such taxing entity. Such resolution shall
35 be in accordance with the provisions of this Act and shall include but not be

1 limited to the following:

2 (1) Procedures for application for participation in such tax
3 rebate program;

4 (2) The maximum number of taxpayers allowed to participate at any
5 one time in such tax rebate program;

6 (3) Procedures for verification of work performed;

7 (4) Procedures for the taxing entity to verify the amount of real
8 property tax refunded to a taxpayer pursuant to such tax rebate program; and

9 (5) Such other provisions that the taxing entity deems reasonable
10 and necessary for the implementation and operation of such tax rebate program.

11 (e) Any taxing entity that establishes a tax rebate program pursuant to
12 the provisions of this article shall make information regarding such program
13 available to the taxpayers of the taxing entity.

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15 SECTION 3. (a) A taxpayer desiring to file a claim for a real property
16 tax refund under the provisions of this Act shall file the claim with the
17 Department of Finance and Administration on forms prescribed by that
18 department and shall furnish such information to substantiate the claim as is
19 provided in this section, or as may be prescribed by regulation of the
20 Department of Finance and Administration.

21 (b) Claims under this Act shall be filed on or before August 15 of the
22 year next following the year in which the real property taxes used as a basis
23 for the claim were paid. However, if failure of the taxpayer to file the
24 claim within the time prescribed herein is due to serious illness of the
25 taxpayer or to some other matter beyond the control of the taxpayer, the
26 Director of the Department of Finance and Administration may permit the filing
27 of the claim at any time within four (4) months after the deadline prescribed
28 herein for filing the claim.

29 (c) Only one (1) member of a household may make a claim under the
30 provisions of this Act for any particular year.

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32 SECTION 4. (a) The right to file a claim under the provisions of this
33 act shall be personal to the taxpayer or a joint owner residing in the
34 homestead and shall not survive the deaths of joint owners residing in the
35 homestead.

1 (b) If a taxpayer dies after having filed a timely claim, the amount
2 thereof may be disbursed only to a surviving joint owner residing in the
3 homestead.

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5 SECTION 5. (a) The Department of Finance and Administration shall
6 either approve or deny every claim filed hereunder, either in the amount
7 claimed or in an amount determined by the department, within ninety (90) days
8 after the date the claim is filed.

9 (b)(1) If the department denies the claim of any taxpayer or reduces
10 the amount claimed, it shall notify the taxpayer, who may file a written
11 request for a reconsideration of the claim within thirty (30) days after
12 receipt of notice from the department.

13 (2) Upon receipt of the request for reconsideration of a claim,
14 the department shall notify the taxpayer of its final decision within thirty
15 (30) days after receipt of the request.

16 (c) A taxpayer may appeal the final ruling of the department regarding
17 the claim to the chancery court of the county in which he resides in the
18 manner and within the time prescribed for appeals from other administrative
19 decisions of the Director of the Department of Finance and Administration.

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21 SECTION 6. (a) The amount of any cash refund allowed or made pursuant
22 to the provisions of this Act shall be equal to the real property taxes levied
23 by the taxing entity; however, the maximum refund any taxpayer may receive
24 under this Act shall be two hundred fifty dollars (\$250).

25 (b) The refund shall be paid to the taxpayer as a cash refund.
26 However, no interest shall be allowed on any payment made to a claimant under
27 the provisions of this Act.

28 (c) If a taxpayer or a joint owner residing in the homestead has any
29 outstanding tax liability to the State of Arkansas, the amount of any claim
30 otherwise payable under this Act shall be applied to the payment of the
31 outstanding tax liability.

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33 SECTION 7. All provisions of this act of a general and permanent nature
34 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
35 Revision Commission shall incorporate the same in the Code.

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SECTION 8. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 9. All laws and parts of laws in conflict with this act are hereby repealed.

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