

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

A Bill

HOUSE BILL 1609

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By: Representatives Kenney, Pace, Anderson, Borhauer, Hutchinson, Key, Lamoureux, Matayo, Parks,
Petrus

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For An Act To Be Entitled

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THE PROPERTY TAX RELIEF FOR THE ELDERLY ACT; TO
PROVIDE A CASH PAYMENT TO ELDERLY LOW INCOME
TAXPAYERS FOR REAL PROPERTY TAX RELIEF; AND FOR
OTHER PURPOSES.

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Subtitle

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PROPERTY TAX RELIEF FOR THE ELDERLY ACT.

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

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SECTION 1. Arkansas Code Title 26, Chapter 51, is amended to add an
additional subchapter to read as follows:

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26-51-2101. Title.

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This subchapter shall be known and may be cited as the "Property Tax
Relief for the Elderly Act".

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26-51-2102. Definitions.

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As used in this subchapter:

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(1) "Claimant" means a person who has:

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(A) Filed a claim for a cash payment under this

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subchapter; and

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(B) Been a resident of this state for two (2) years or

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more immediately before filing the claim;

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(2)(A) "Homestead" means the dwelling of a person which is used

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as his or her principal place of residence and contiguous land, excluding all

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land valued as agricultural land, pasture land, or timber land;



1 (B) "Homestead" includes a dwelling owned by a revocable
2 trust and used as the principal place of residence of a person who formed the
3 trust;

4 (C) A mobile home that is attached to real property and
5 taxed as real property shall qualify as a homestead under this subchapter;

6 (3) "Household" means a claimant or a claimant and his or her
7 spouse;

8 (4) "Household income" means the combined income received by a
9 household during a tax year;

10 (5)(A) Except as provided in subdivision (5)(A) and (5)(B) of
11 this subsection, "income" means gross income as defined in the Arkansas
12 Income Tax Act, § 26-51-101 et seq., less deductions allowed under § 26-51-
13 423(a)(1);

14 (B) "Income" includes:

15 (i) Alimony;

16 (ii) Support money ordered to be paid by a court; or

17 (iii) Cash public assistance and relief;

18 (C) "Income" does not include:

19 (i) Relief granted under this subchapter;

20 (ii) The gross amount of any pension or annuity,
21 including all monetary retirement or pension benefits from whatever source
22 derived;

23 (iii) Payments received under the federal Social
24 Security Act;

25 (iv) Payments received for veterans' disability
26 pensions;

27 (v) Payments received under the workers'
28 compensation law;

29 (vi) Payments received under disability insurance;

30 (vii) Gifts from nongovernmental sources; or

31 (viii) Other relief in kind supplied by a
32 governmental agency;

33 (6) "Property taxes" means all ad valorem taxes, excluding
34 special assessments and delinquent charges, levied and paid on a claimant's
35 homestead during a tax year.

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1 26-51-2103. Eligibility.

2 (a) A person who has owned a homestead in Arkansas for at least one
3 (1) year and meets one of the following requirements is eligible to apply for
4 a cash payment under this subchapter, subject to the limits stated in § 26-
5 51-2107:

6 (1) Is sixty-five (65) years of age or older;

7 (2) Is disabled, as defined in Subchapter XIX of the federal
8 Social Security Act in effect on January 1, 2003, for any period during the
9 tax year; or

10 (3) Is a permanently and totally disabled veteran as defined by
11 38 CFR Part IV, as in effect on January 1, 2003.

12 (b) No claim shall be allowed under this subchapter if the Department
13 of Finance and Administration determines that the claimant received title to
14 his or her homestead for the primary purpose of taking advantage of the
15 benefits provided by this subchapter.

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17 26-51-2104. Claims - Filing - Contents.

18 (a) The Director of the Department of Finance and Administration shall
19 have the authority to promulgate all rules, regulations, and forms necessary
20 to carry out the provisions of this subchapter.

21 (b)(1) A claimant shall file a claim for the cash payment under this
22 subchapter with the Director of the Department of Finance and Administration
23 on the form prescribed by the department.

24 (2) The claimant shall include the following information on the
25 form:

26 (A) The names of members of the claimant's household;

27 (B) The amount of the household income;

28 (C) The address or location of the claimant's homestead;

29 (D) A statement of the property taxes paid on the
30 homestead during the tax year;

31 (E) A statement that there are no delinquent property
32 taxes on the homestead; and

33 (F) Any other information that may be required by the
34 department to assure that the claimant is eligible for, and entitled to,
35 benefits under this subchapter.

36 (c)(1) Claims under this subchapter shall be filed on or before August

1 15 of the year after the year in which the property taxes used as a basis for
2 the claim were paid.

3 (2) If a claimant fails to file a claim within the time limits
4 established by this subsection (c) due to the claimant’s serious illness or
5 to some other matter beyond the claimant’s control, the director may permit
6 the filing of the claim no later than four (4) months after the deadline.

7 (d) Only one (1) member of a household may make a claim under this
8 subchapter in a tax year.

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10 26-51-2105. Claims - Effect of claimant’s death.

11 (a) The right to file a claim under this subchapter shall be personal
12 to the claimant or another member of the household and shall not survive the
13 death of the members of the household.

14 (b) If a claimant dies after having filed a timely claim, the amount
15 of the claim may be disbursed only to another member of the household.

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17 26-51-2106. Claims - Approval or denial.

18 (a)(1) The Department of Finance and Administration shall either
19 approve or deny every claim filed under this subchapter within ninety (90)
20 days after the date the claim is filed.

21 (2) The department may approve the amount claimed or another
22 amount as determined by the department.

23 (b)(1) If the department denies the claim of any claimant or reduces
24 the amount of the claim, the department shall notify the claimant and the
25 claimant may request a reconsideration of the claim by filing a written
26 request for reconsideration at any time within thirty (30) days after receipt
27 of the notice of the decision of the department.

28 (2) Upon receipt of the request for reconsideration of a claim,
29 the department shall reconsider the claim and notify the claimant of its
30 final decision within thirty (30) days after the receipt of the request.

31 (c) If the claimant is dissatisfied with the final ruling of the
32 department regarding his or her claim, the claimant may appeal the decision
33 to the Pulaski County Circuit Court or the circuit court of the county in
34 which the claimant resides in the manner and within the time prescribed for
35 appeals from other administrative decisions of the Director of the Department
36 of Finance and Administration.

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2 26-51-2107. Allowable cash payment - Maximum.

3 (a) The amount of any cash payment allowed or made under this
4 subchapter shall be determined as follows:

5 (1) If the household income of the claimant was ten thousand
6 dollars (\$10,000) or less for the tax year, then the claimant shall be
7 entitled to file a claim for the lesser of either three hundred dollars
8 (\$300) or the amount of the property taxes paid on the claimant's homestead
9 for the tax year;

10 (2) If the household income of the claimant is more than ten
11 thousand dollars (\$10,000), but not more than fifteen thousand dollars
12 (\$15,000) for the tax year, then the claimant shall be entitled to file a
13 claim for the lesser of either two hundred fifty dollars (\$250) or the amount
14 of the property taxes paid on the claimant's homestead for the tax year;

15 (3) If the household income of the claimant is more than fifteen
16 thousand dollars (\$15,000), but not more than twenty thousand dollars
17 (\$20,000) for the tax year, then the claimant shall be entitled to file a
18 claim for the lesser of either two hundred dollars (\$200) or the amount of
19 the property taxes paid on the claimant's homestead for the tax year;

20 (4) If the household income of the claimant is more than twenty
21 thousand dollars (\$20,000), but not more than twenty-five thousand dollars
22 (\$25,000) for the tax year, then the claimant shall be entitled to file a
23 claim for the lesser of either one hundred fifty dollars (\$150) or the amount
24 of the property taxes paid on the claimant's homestead for the tax year;

25 (5) If the household income of the claimant is more than twenty-
26 five thousand dollars (\$25,000), but not more than thirty thousand dollars
27 (\$30,000) for the tax year, then the claimant shall be entitled to file a
28 claim for the lesser of either one hundred twenty-five dollars (\$125) or the
29 amount of the property taxes paid on the claimant's homestead for the tax
30 year.

31 (b) No claimant shall receive a cash payment for more than the amount
32 of the property taxes paid on the claimant's homestead in a tax year.

33 (c) No interest shall be allowed on any payment made to a claimant
34 under this subchapter.

35 (d) If a claimant or another member of the claimant's household has
36 any outstanding tax liability to the State of Arkansas, the amount of any

1 claim otherwise payable under this subchapter, or the portion of the claim,
2 shall be applied to the payment of the outstanding tax liability.

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4 26-51-2108. Property Tax Relief Trust Fund - Payment of cash rebates -
5 Loans.

6 (a) The Property Tax Relief Trust Fund shall be used for the payment
7 of cash rebates to claimants under the provisions of this subchapter.

8 (b)(1)(A) Temporary loans may be made from the Budget Stabilization
9 Trust Fund to the Property Tax Relief Trust Fund upon certification of the
10 amount by the Chief Fiscal Officer of the State for the purpose of making
11 moneys available to make cash payments to claimants under this subchapter as
12 the cash payments are filed and approved for payment.

13 (B) Any amounts loaned under this section shall be repaid
14 to the Budget Stabilization Trust Fund from the moneys first credited to the
15 Fund during the month next following the month in which the loan was made.

16 (2) All loans and repayment thereof shall be by transfers upon
17 the books of the Treasurer of State and upon certification of the amounts by
18 the Chief Fiscal Officer of the State.

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20 SECTION 2. Arkansas Code § 19-5-1103(b), regarding the Property Tax
21 Relief Trust Fund, is amended to read as follows:

22 (b) The fund shall consist of such revenues as generated by §§ 26-52-
23 302(c) and 26-53-107(c) and shall be used for such purposes as set out in §§
24 26-26-310 and 26-51-2108.

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26 SECTION 3. This act shall apply to tax years beginning on or after
27 January 1, 2004.