

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: H2/20/03

# A Bill

HOUSE BILL 1609

5 By: Representatives Kenney, Pace, Anderson, Borhauer, Hutchinson, Key, Lamoureux, Matayo, Parks,  
6 Petrus, *Harris*  
7  
8

## For An Act To Be Entitled

10 THE PROPERTY TAX RELIEF FOR THE ELDERLY ACT; TO  
11 PROVIDE A CASH PAYMENT TO ELDERLY LOW INCOME  
12 TAXPAYERS FOR REAL PROPERTY TAX RELIEF; AND FOR  
13 OTHER PURPOSES.  
14

## Subtitle

15 PROPERTY TAX RELIEF FOR THE ELDERLY ACT.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code Title 26, Chapter 51, is amended to add an  
22 additional subchapter to read as follows:

23 26-51-2101. Title.

24 This subchapter shall be known and may be cited as the "Property Tax  
25 Relief for the Elderly Act".  
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27 26-51-2102. Definitions.

28 As used in this subchapter:

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

30 (A) Filed a claim for a cash payment under this  
31 subchapter; and

32 (B) Been a resident of this state for two (2) years or  
33 more immediately before filing the claim;

34 (2)(A) "Homestead" means the dwelling of a person which is used  
35 as his or her principal place of residence and contiguous land, excluding all  
36 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) "Homestead" includes a mobile home or manufactured  
5 home used as the principal place of residence and contiguous land, excluding  
6 land valued as agricultural land, pasture land, or timber land;

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

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

11                   (5)(A) Except as provided in subdivision (5)(A) and (5)(B) of  
12 this subsection, "income" means gross income as defined in the Arkansas  
13 Income Tax Act, § 26-51-101 et seq., less deductions allowed under § 26-51-  
14 423(a)(1);

15                   (B) "Income" includes:

16                   (i) Alimony;

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

18                   (iii) Cash public assistance and relief;

19                   (C) "Income" does not include:

20                   (i) Relief granted under this subchapter;

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

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

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

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

30                   (vi) Payments received under disability insurance;

31                   (vii) Gifts from nongovernmental sources; or

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

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

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26-51-2103. Eligibility.

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

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

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

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

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

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

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

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

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

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

(B) The amount of the household income;

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

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

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

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

1       (c)(1) Claims under this subchapter shall be filed on or before August  
2 15 of the year after the year in which the property taxes used as a basis for  
3 the claim were paid.

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

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

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11       26-51-2105. Claims - Effect of claimant's death.

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

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

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18       26-51-2106. Claims - Approval or denial.

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

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

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

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

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

1 of Finance and Administration.

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3 26-51-2107. Allowable cash payment - Maximum.

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

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

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

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

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

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

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

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

36 (d) If a claimant or another member of the claimant's household has

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

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

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

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

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

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

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

23 (b) The fund shall consist of such revenues as generated by §§ 26-52-  
24 302(c) and 26-53-107(c) and shall be used for such purposes as set out in §§  
25 26-26-310 and 26-51-2108.

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

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30 /s/ Kenney, et al