

1 State of Arkansas  
2 84th General Assembly  
3 Regular Session, 2003

SJR 11

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5 By: Senator Bisbee  
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## 8 SENATE JOINT RESOLUTION

9 PROPOSING AN AMENDMENT TO AMENDMENT 79 OF THE  
10 ARKANSAS CONSTITUTION TO REQUIRE THE ASSESSMENT  
11 VALUE OF A HOMESTEAD TO BE ADJUSTED, IF THE  
12 HOMESTEAD IS SOLD, ACCORDING TO THE ASSESSED  
13 VALUE OF THE MARKET VALUE OF THE HOMESTEAD AT THE  
14 TIME OF THE SALE.

### 15 Subtitle

16 TO REQUIRE THE ASSESSMENT VALUE OF A  
17 HOMESTEAD TO BE ADJUSTED, IF THE  
18 HOMESTEAD IS SOLD, ACCORDING TO THE  
19 ASSESSED VALUE OF THE MARKET VALUE OF  
20 THE HOMESTEAD AT THE TIME OF THE SALE.  
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23 BE IT RESOLVED BY THE SENATE OF THE EIGHTY-FOURTH GENERAL ASSEMBLY OF THE  
24 STATE OF ARKANSAS AND BY THE HOUSE OF REPRESENTATIVES, A MAJORITY OF ALL  
25 MEMBERS ELECTED TO EACH HOUSE AGREEING THERETO:  
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27 That the following is proposed as an amendment to the Constitution of  
28 the State of Arkansas, and upon being submitted to the electors of the state  
29 for approval or rejection at the next general election for Senators and  
30 Representatives, if a majority of the electors voting thereon at the  
31 election, adopt the amendment, the amendment shall become a part of the  
32 Constitution of the State of Arkansas, to wit:  
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34 SECTION 1. Subdivision (c) and (d) of Section 1 of Amendment 79 of the  
35 Constitution of the State of Arkansas, is amended to read as follows:

36 (c)(1) Except as provided in subsection (d), if the parcel is a



1 taxpayer's homestead used as the taxpayer's principal place of residence then  
 2 for the first assessment following reappraisal, any increase in the assessed  
 3 value of the parcel shall be limited to not more than five percent (5%) of  
 4 the assessed value of the parcel for the previous year. In each year  
 5 thereafter the assessed value shall increase by an additional five percent  
 6 (5%) of the assessed value of the parcel for the year prior to the first  
 7 assessment that resulted from reappraisal but shall not exceed the assessed  
 8 value determined by the reappraisal prior to adjustment under this  
 9 subsection.

10 (2) This subsection (c) does not apply to newly discovered real  
 11 property, new construction, or to substantial improvements to real property.

12 (3) Upon the sale of a homestead assessed under this subsection  
 13 (c), the assessed value shall be adjusted according to the assessed value of  
 14 the market value of the homestead at the time of sale.

15 (d)(1)(A) A homestead used as the taxpayer's principal place of  
 16 residence purchased or constructed on or after January 1, 2001 by a disabled  
 17 person or by a person sixty-five (65) years of age or older shall be assessed  
 18 thereafter based on the lower of the assessed value as of the date of  
 19 purchase or construction or a later assessed value.

20 (B) When a person becomes disabled or reaches sixty-five  
 21 (65) years of age on or after January 1, 2001, that person's homestead used  
 22 as the taxpayer's principal place of residence shall thereafter be assessed  
 23 based on the lower of the assessed value on the person's sixty-fifth  
 24 birthday, on the date the person becomes disabled or a later assessed value.

25 (C) If a person is disabled or is at least sixty-five (65)  
 26 years of age and owns a homestead used as the taxpayer's principal place of  
 27 residence on January 1, 2001, the homestead shall be assessed based on the  
 28 lower of the assessed value on January 1, 2001 or a later assessed value.

29 (2) Residing in a nursing home shall not disqualify a person  
 30 from the benefits of this subsection (d).

31 (3) In instances of joint ownership, if one of the owners  
 32 qualifies under this subsection (d), all owners shall receive the benefits of  
 33 this amendment.

34 (4) This subsection (d) does not apply to substantial  
 35 improvements to real property.

36 (5) For real property that is subject to Section 2 of this

1 Amendment, in lieu of January 1, 2001, the applicable date for this  
 2 subsection (d) shall be January 1 of the year following the completion of the  
 3 adjustments to assessed value required by Section 2.

4 (6) Upon the sale of a homestead that has had its assessed value  
 5 limited under this subsection (d), the assessed value shall be adjusted  
 6 according to the assessed value of the market value of the homestead at the  
 7 time of sale.

8  
 9 SECTION 2. Section 2 of Amendment 79 of the Constitution of the State  
 10 of Arkansas, is amended to read as follows:

11 § 2.

12 (a)(1) Section 1 of this Amendment shall not be applicable to a county  
 13 in which there has been no county-wide reappraisal, as defined by law, and  
 14 resulting assessed value of property between January 1, 1986 and December 31,  
 15 2000. Real property in such a county shall be adjusted according to the  
 16 provisions of this section.

17 (2) Upon the completion of the adjustments to assessed value  
 18 required by this section each taxpayer of that county shall be entitled to  
 19 apply the provision of Section 1 of this Amendment to the real property owned  
 20 by them.

21 (b) The county assessor, or other official or officials designated by  
 22 law, shall compare the assessed value of each parcel of real property to the  
 23 prior year's assessed value. If assessed value of the parcel increased, then  
 24 the assessed value of the parcel for the first assessment resulting from  
 25 reappraisal shall be adjusted by adding one-third (1/3) of the increase to  
 26 the assessed value of the parcel for the previous year. An additional one-  
 27 third (1/3) of the increase shall be added in each of the next two (2) years.  
 28 This adjustment procedure shall not apply to public utility and carrier  
 29 property. Public utility and carrier property shall be adjusted pursuant to  
 30 Section 1.

31 (c) No adjustment shall be made for newly discovered real property,  
 32 new construction, or to substantial improvements to real property.

33 (d) Upon the sale of a homestead that has been assessed under this  
 34 section, the assessed value shall be adjusted according to the assessed value  
 35 of the market value of the homestead at the time of sale.

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