

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 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: H2/22/05

A Bill

HOUSE BILL 1705

5 By: Representative Cowling
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7

For An Act To Be Entitled

9 AN ACT TO REALLOCATE REAL ESTATE TRANSFER TAX;
10 AND FOR OTHER PURPOSES.
11

Subtitle

12 AN ACT TO REALLOCATE REAL ESTATE
13 TRANSFER TAX.
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 SECTION 1. Arkansas Code § 15-12-103(a), concerning the distribution
20 of real estate transfer tax, is amended to read as follows:

21 (a) All revenues derived from the ~~additional~~ tax levied by ~~§ 26-60-~~
22 ~~105(b)~~ § 26-60-105(a) shall be deposited by the Director of the Department of
23 Finance and Administration in the State Treasury as special revenues.
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25 SECTION 2. Arkansas Code § 26-60-105 is amended to read as follows:

26 26-60-105. Tax on transfer instruments - Additional tax.

27 (a)(1) There is levied on each deed, instrument, or writing by which
28 any lands, tenements, or other realty sold shall be granted, assigned,
29 transferred, or otherwise conveyed to, or vested in, the purchaser, or any
30 other person by the purchaser's direction, when the consideration for the
31 interest or property conveyed exceeds one hundred dollars (\$100), a tax at
32 the rate of one dollar and ten cents (\$1.10) for each one thousand dollars
33 (\$1,000) or fractional part thereof.

34 (2) The tax shall be allocated and used for the purposes as
35 provided in § 15-12-103.

36 (b) In addition to the tax levied in subsection (a) of this section on



1 each deed, instrument, or writing by which any lands, tenements, or other
2 realty sold shall be granted, assigned, transferred, or otherwise conveyed to
3 or vested in the purchaser or purchasers or any other person or persons by
4 his or her or their direction when the consideration for the interest or
5 property conveyed exceeds one hundred dollars (\$100), as levied under the
6 provisions of this chapter, there is levied an additional tax of two dollars
7 and twenty cents (\$2.20) for each one thousand dollars (\$1,000), or
8 fractional part thereof, to be paid ~~by the purchaser and to be allocated and~~
9 ~~used for the purposes as provided in § 15-12-103~~ as provided in § 26-60-106.

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11 SECTION 3. Arkansas Code § 26-60-112 is amended to read as follows:

12 26-60-112. Disposition of funds collected.

13 (a) The revenues from the ~~additional~~ tax levied by ~~§ 26-60-105(b)~~
14 § 26-60-105(a) shall be deemed special revenues and shall be deposited and
15 distributed according to § 15-12-103.

16 (b) The revenues derived from the additional tax levied by ~~§ 26-60-~~
17 ~~105(a)~~ § 26-60-105(b) shall be deposited by the Director of the Department of
18 Finance and Administration in the State Treasury, and the Treasurer of State
19 shall, after deducting three percent (3%) thereof for distribution to the
20 Constitutional Officers Fund and the State Central Services Fund to be used
21 for the purposes as provided by law, distribute the net amount thereof as
22 follows:

23 (1) Ten percent (10%) of the remainder shall be distributed as
24 special revenues, as follows:

25 (A) The first sixty thousand dollars (\$60,000) of the
26 remainder during each fiscal year shall be credited to the County and Circuit
27 Clerks Continuing Education Fund, which is established in the State Treasury,
28 to be used for defraying the expenses of training seminars and other
29 educational projects benefiting county and circuit clerks in this state, as
30 provided by appropriations enacted by the General Assembly; and

31 (B) The remainder of the ten percent (10%) of the
32 remainder available for distribution during each fiscal year shall be
33 credited as special revenues to the County Aid Fund, to be distributed in the
34 manner provided by law to the circuit clerk in the county in which the
35 property upon which the tax is paid is situated, to be paid over by the
36 circuit clerk to the county general fund;

1 (2) ~~Ninety percent (90%) of the remainder thereof shall be~~
2 ~~distributed as follows:~~

3 ~~(A) The entire amount collected during each fiscal year~~
4 ~~until there has been collected an amount of such tax equaling the amount of~~
5 ~~tax collected under this chapter during fiscal year 1982-83 shall be credited~~
6 ~~as general revenues to be allocated to the various funds participating in the~~
7 ~~distribution of general revenues in the amount of each such fund as provided~~
8 ~~by and to be used for the respective purposes set forth in the Revenue~~
9 ~~Stabilization Law, § 19-5-101 et seq.; and~~

10 ~~(B) After making the distribution thereof as provided in~~
11 ~~subdivision (b)(2)(A) of this section, the remainder available each fiscal~~
12 ~~year shall be credited as special revenues to the Administration of Justice~~
13 ~~Fund to be used for supplementing moneys therein for court reporter salaries~~
14 ~~and expenses in the event that the moneys available in the Court Reporters~~
15 ~~Fund are inadequate during any fiscal year to make the necessary payments for~~
16 ~~salary and related expenses of the various court reporters of the state. Any~~
17 ~~amount received over and above this amount shall be credited as special~~
18 ~~revenues to the County Aid Fund. After making the distributions required~~
19 ~~under subdivision (b)(1) of this section, the remaining amount of revenues~~
20 ~~shall be distributed as follows:~~

21 ~~(A) One million five hundred thousand dollars (\$1,500,000)~~
22 ~~shall be credited as special revenues to the State Administration of Justice~~
23 ~~Fund to be used for supplementing moneys for court reporter salaries and~~
24 ~~expenses if moneys available in the Court Reporters' Fund are inadequate~~
25 ~~during a fiscal year to make the necessary payments for salaries and related~~
26 ~~expenses of the court reporters of the state;~~

27 ~~(B) Fifty percent (50%) of the amount remaining after the~~
28 ~~distribution under subdivision (b)(2)(A) of this section shall be credited to~~
29 ~~the General Revenue Fund Account of the State Apportionment Fund; and~~

30 ~~(C) Fifty percent (50%) of the amount remaining after the~~
31 ~~distribution under subdivision (b)(2)(A) of this section shall be credited as~~
32 ~~special revenues to the County Aid Fund.~~

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34 SECTION 4. EMERGENCY CLAUSE. It is found and determined by the
35 General Assembly of the State of Arkansas that revenue from real estate
36 transfer tax is more than adequate to fund the state programs and agencies

1 that benefit from the tax; that the need for funds for public schools, school
2 districts, and public school facilities is very great; and that this act is
3 immediately necessary to enhance funding for the next fiscal year with
4 additional sources of general revenue. Therefore, an emergency is declared
5 to exist and this act being necessary for the preservation of the public
6 peace, health, and safety shall become effective on July 1, 2005.

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8 */s/ Cowling*
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