

"AN ACT TO AMEND SECTION 2 OF ACT 275 OF 1971, AS AMENDED, [ARK. STAT. 84-4302] TO EXEMPT, FROM THE REAL PROPERTY TRANSFER TAX, CERTAIN SALES OF NEW HOMES WITH FHA OR VA FINANCING TO FIRST TIME PURCHASERS; AND FOR OTHER PURPOSES."

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

SECTION 1. Section 2 of Act 275 of 1971, as amended, the same being Arkansas Statutes 84-4302, is hereby amended to read as follows:

"Section 2. The real property transfer tax imposed by this Act shall not apply to transfers of the following:

- (a) transfers to or from the United States, the State of Arkansas, or any of the instrumentalities, agencies, or political subdivisions thereof;
- (b) any instrument or writing given solely to secure a debt;
- (c) any instrument solely for the purpose of correcting or replacing an instrument that has been previously recorded with full payment of tax having been paid at the time of the previous recordation;
- (d) instruments conveying land sold for delinquent taxes;
- (e) instruments conveying a leasehold interest in land only;
- (f) instruments, including timber deeds, which convey or grant the right to remove timber from lands if such instruments grant or convey the right to remove such timber for a period of not to exceed twenty-four (24) months.
- (g) Instruments given by one party in a divorce action to the other party to the divorce action as a division of marital property whether by agreement or order of the court.
- (h) Instruments given in any judicial proceeding to enforce any security interest in real estate when the instrument transfers the property to the same person who is seeking to enforce the security interest.
- (i) Instruments given to a secured party in lieu of or to avoid a judicial proceeding to enforce a security interest in real estate.
- (j) Instruments conveying a new home financed by Federal Housing Administration or Veterans Administrative financing if the sale price of the home is \$50,000 or less and the seller files with the County Recorder of Deeds a sworn statement by the buyer stating that neither the buyer nor the spouse of the buyer has owned a home within three (3) years of the date of closing and stating the sale price of the home.

SECTION 2. All laws and parts of laws in conflict with this Act are hereby repealed."

APPROVED: 4/4/87

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