

Act 698 of the 1989 Regular Session.

Act 698

HB1709

By: Representative Clark

"AN ACT TO AMEND ARKANSAS CODE 26-36-303 TO INCLUDE THE AUDITOR OF STATE'S OFFICE AS A CLAIMANT AGENCY FOR THE SETOFF OF DEBTS AGAINST STATE TAX REFUNDS AND TO INCLUDE THE CASHING OF BOTH THE ORIGINAL AND DUPLICATE STATE WARRANTS AS A DEBT SUBJECT TO SETOFF; AND FOR OTHER PURPOSES."

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

SECTION 1. Arkansas Code 26-36-303 is hereby amended to read as follows:
"26-36-303. Definitions.

As used in this subchapter, unless the context otherwise requires:

- (1) "Claimant agencies" means:
 - (A) State-supported colleges and universities;
 - (B) State Department of Human Services;
 - (C) Arkansas Student Loan Authority;
 - (D) Student Loan Guarantee Foundation of Arkansas; and
 - (E) The Auditor of State.
- (2) "Debtor" means any individual owing money to or having a delinquent account with any claimant agency, which obligation has not been adjudicated, satisfied by court order, set aside by court order, or discharged in bankruptcy;
- (3) "Debt" means any liquidated sum due and owing any claimant agency which has accrued through contract, subrogation, tort, operation of law, or any other legal theory, regardless of whether there is an outstanding judgment for that sum. Debt shall include accrued obligations due to an assignment of child support rights made to the state as a condition of eligibility for welfare assistance and those which have accrued from contract with the claimant agency by an individual who is not the recipient of welfare assistance. Debt shall also include the owing of money to a claimant agency as result of a debtor cashing both the original and the duplicate state warrants.
- (4) "Division" means the Revenue Division of the Arkansas Department of Finance and Administration;
- (5) "Refund" means the Arkansas income tax refund which the division determines to be due any individual taxpayer, less any amounts determined by the division to be due to the division for payment of any state tax as defined in the Arkansas Tax Procedure Act, as amended, 26-18-101 et seq;
- (6) "Setoff" means withholding of part or all of income tax refunds due individuals who owe debts to the State of Arkansas."

SECTION 2. All provisions of this act of general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 3. All laws and parts of laws in conflict with this act are hereby repealed.

APPROVED: March 20, 1989
