

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**

A BILL ACT 713 OF 1991
HOUSE BILL 1829

4 **By: Representatives Cunningham and J. Wilson**

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For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE OF 1987 ANNOTATED §14-164-
9 703; TO AUTHORIZE SCHOOL DISTRICTS AND OTHER PUBLIC BODIES
10 TO AGREE ON THE DISTRIBUTION OF PAYMENTS IN LIEU OF AD
11 VALOREM TAXES; DECLARING AN EMERGENCY; AND FOR OTHER
12 PURPOSES."

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

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16 SECTION 1. Arkansas Code of 1987 Annotated §14-164-703 is hereby
17 amended to read as follows:

18 "14-164-703. Payments in lieu of taxes.

19 (a) In the event that a county or municipality and a lessee under a
20 lease, or a purchaser under a contract of sale, enter into an agreement for
21 payments in lieu of ad valorem taxes, each agreement shall provide, or, by
22 virtue of this subchapter, shall be interpreted as providing, that all in-
23 lieu-of-taxes payments shall be distributed to the political subdivisions
24 which would have received ad valorem tax payments on the industrial facilities
25 if the interest involved had not been exempt from ad valorem taxes in the
26 proportions that the millage levied by each affected political subdivision
27 bears to the millage levied by all affected political subdivisions, unless all
28 such political subdivisions (including the affected school district or
29 districts) shall otherwise agree.

30 (b) Nothing in this section shall be construed as affecting in any
31 manner the rights or obligations of any of the parties to any such agreements
32 existing on the date of enactment of this subchapter providing for payments in
33 lieu of ad valorem taxes."

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35 SECTION 2. All provisions of this act of a general and permanent nature
36 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code

1 Revision Commission shall incorporate the same in the Code.

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3 SECTION 3. If any provision of this act or the application thereof to
4 any person or circumstance is held invalid, such invalidity shall not affect
5 other provisions or applications of the act which can be given effect without
6 the invalid provision or application, and to this end the provisions of this
7 act are declared to be severable.

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9 SECTION 4. All laws or parts of laws in conflict with this act are
10 hereby repealed.

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12 SECTION 5. It has been found and it is hereby declared that present law
13 provides for the allocation of payments in lieu of ad valorem taxes among
14 affected political subdivisions and does not authorize affected political
15 subdivisions to allocate such payments on a contractual basis and that some
16 political subdivisions anticipate a need for such contractual allocations with
17 respect to prospective industrial projects. Therefore, an emergency is
18 declared to exist and this act, being necessary for the preservation of the
19 public peace, health and safety, shall be in force upon its passage and
20 approval.

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22 APPROVED: 3-22-91

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