

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Representative Mahony**

A Bill

ACT 345 OF 1993
HOUSE BILL 1276

For An Act To Be Entitled

8 "AN ACT TO AMEND ARK. CODE ANN. § 26-36-303 TO INCLUDE THE
9 DEPARTMENT OF HIGHER EDUCATION AS A CLAIMANT AGENCY FOR
10 THE SETOFF OF DEBTS AGAINST STATE TAX REFUNDS; AND FOR
11 OTHER PURPOSES."

Subtitle

14 **"TO INCLUDE THE DEPARTMENT OF HIGHER EDUCATION**
15 **AS A CLAIMANT AGENCY FOR SETOFF OF DEBTS AGAINST**
16 **STATE TAX REFUNDS."**

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

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

21 **"26-36-303. Definitions. As used in this subchapter, unless the context otherwise**
22 **requires:**

23 **(1) _Claimant agencies_ means:**

24 **(A) State-supported colleges and universities;**

25 **(B) The Department of Human Services;**

26 **(C) The Arkansas Student Loan Authority;**

27 **(D) The Student Loan Guarantee Foundation of Arkansas;**

28 **(E) The Auditor of State; and**

29 **(F) The Department of Higher Education;**

30 **(2) _Debtor_ means any individual owing money to or having a delinquent account**
31 **with any claimant agency, which obligation has not been adjudicated, satisfied by court order,**
32 **set aside by court order, or discharged in bankruptcy;**

33 **(3)(A) _Debt_ means any liquidated sum due and owing any claimant agency which has**
34 **accrued through contract, subrogation, tort, operation of law, or any other legal theory,**
35 **regardless of whether there is an outstanding judgment for that sum.**

36 **(B) _Debt_ shall include accrued obligations due to an assignment of child**

1 **support rights made to the state as a condition of eligibility for welfare assistance and those**
2 **which have accrued from contract with the claimant agency by an individual who is not the**
3 **recipient of welfare assistance.**

4 **(C) _Debt_ shall also include the owing of money to a claimant agency as result**
5 **of a debtor cashing both the original and the duplicate state warrants;**

6 **(4) _Division_ means the Revenue Division of the Department of Finance and**
7 **Administration;**

8 **(5) _Refund_ means the Arkansas income tax refund which the division determines to**
9 **be due any individual taxpayer, less any amounts determined by the division to be due to the**
10 **division for payment of any state tax as defined in the Arkansas Tax Procedure Act, as**
11 **amended, § 26-18-101 et seq.;**

12 **(6) _Setoff_ means withholding of part or all of income tax refunds due individuals who**
13 **owe debts to the State of Arkansas."**

14

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

18

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

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24 **SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.**

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26 **APPROVED: 03/03/93**

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