

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

As Engrossed: H3/3/97

A Bill

ACT 836 OF 1997
HOUSE BILL 1836

4
5 By: Representatives Courtway and Purdom
6 By: Senator Russ

For An Act To Be Entitled

9 "AN ACT TO REPEAL ARKANSAS CODE 26-26-305 RELATING TO THE
10 CYCLICAL REAPPRAISAL OF PROPERTY; TO ADOPT A PROCEDURE FOR
11 CONVERTING FROM A CYCLICAL REAPPRAISAL TO A COUNTYWIDE
12 REAPPRAISAL OF PROPERTY; TO CLARIFY PROCEDURE WHEN A
13 COUNTYWIDE REAPPRAISAL OF PROPERTY IS CONDUCTED OVER TWO
14 (2) OR MORE YEARS; AND FOR OTHER PURPOSES."

Subtitle

16
17 "TO REPEAL ARKANSAS CODE 26-26-305
18 RELATING TO THE CYCLICAL REAPPRAISAL OF
19 PROPERTY AND ADOPT AND CLARIFY
20 PROCEDURES."

21
22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23
24 SECTION 1. Act 758 of 1995, codified as Arkansas Code 26-26-305 is
25 hereby repealed.

26 ~~"§ 26-26-305. Valuation review program.~~

27 ~~_____ (a) It is the legislative intent of this section to promote property~~
28 ~~assessments that are not clearly erroneous, manifestly excessive, or~~
29 ~~confiscatory by requiring that each parcel of taxable property in each county~~
30 ~~of the state shall be physically reviewed, and revalued as required, at a~~
31 ~~minimum of once every five (5) years and more frequently as may be necessary.~~

32 ~~_____ (b) It shall be the duty of the county assessor of each county in the~~
33 ~~state to conduct and carry out a continuing program of valuation of all~~
34 ~~properties under his jurisdiction pursuant to such rules and regulations as~~
35 ~~the Assessment Coordination Division of the Arkansas Public Service Commission~~
36 ~~may prescribe, to the end that all parcels of property under the assessor's~~

1 ~~jurisdiction are appraised at current market value for assessment purposes.~~

2 ~~—— (c) The county quorum courts, after consultation with the taxing units~~
3 ~~in each county, shall furnish the assessor with such additional funds and~~
4 ~~personnel as may be required to carry out the cyclical review program hereby~~
5 ~~required.~~

6 ~~—— (d) The Assessment Coordination Division of the Arkansas Public~~
7 ~~Service Commission is hereby authorized, empowered, and directed to promulgate~~
8 ~~rules and regulations for the implementation of this program.~~

9 ~~—— (e) If the review cycle of a county's cyclical review program is two~~
10 ~~(2) or more years, then normal carrying out of such physical review program~~
11 ~~and adjustments to valuations thereunder shall not constitute a comprehensive~~
12 ~~countywide reappraisal for purposes of triggering the provisions of Arkansas~~
13 ~~Constitution, Amendment 59."~~

14

15 SECTION 2. (a) Any countywide valuation review program begun in
16 accordance with the requirements of Act 758 of 1995 shall be deemed to be a
17 countywide reappraisal of property pursuant to directive of law enacted by the
18 General Assembly.

19 (b) Any county which has begun but has not completed a countywide
20 valuation review program in accordance with the requirements of Act 758 of
21 1995 or otherwise on the effective date of this act shall direct that a
22 countywide reappraisal of property be completed, using, in part, valuations
23 determined through the valuation review program for each parcel of taxable
24 property reviewed to date.

25 (c) The provisions of Arkansas Code Title 26, Chapter 26, Subchapter 4
26 relative to the adjustment or rollback of millage levied for ad valorem tax
27 purposes shall be applicable where a countywide reappraisal of property is
28 completed as provided in this section.

29 (d) Any county which has begun but has not completed a countywide
30 valuation review program in accordance with the requirements of Act 758 of
31 1995 or otherwise on the effective date of this act, shall suspend the
32 valuations determined through the valuation review program and use the
33 valuations which were applicable prior to the valuation adjustments pending
34 the completion of the countywide reappraisal.

35 (e) Ad valorem taxes which are due and owing on the effective date of
36 this act shall continue to be due and owing and shall not be affected by the

1 terms of this section.

2

3 SECTION 3. (a) When there is a countywide reappraisal of property for
4 ad valorem tax purposes in any county, which reappraisal is conducted over a
5 period of two (2) or more years, taxes shall not be assessed on the basis of
6 the reappraised value of any property in the county until all taxable property
7 in the county has been reappraised. When a countywide reappraisal of property
8 is completed in any county and taxes are first assessed on the newly
9 reappraised values, the provisions of Amendment 59 to the Arkansas
10 Constitution and Arkansas Code Title 26, Chapter 26, Subchapter 4 relative to
11 the adjustment or rollback of millage levied for ad valorem tax purposes shall
12 be applicable.

13 (b) Provided that newly discovered real property, new construction and
14 improvements to real property, and personal property, shall be listed,
15 appraised and assessed as otherwise provided by law until the countywide
16 reappraisal of property is completed.

17 (c) No county which is conducting a comprehensive countywide
18 reappraisal of property for ad valorem tax purposes which is in progress on
19 the third Monday in November in any year, or any municipality or school
20 district therein, shall be subject to any penalties provided in § 26-26-304
21 for such fiscal year if the following requirements are met:

- 22 (i) The reappraisal meets the requirements of § 26-26-401; and
23 (ii) The reappraisal is conducted in accordance with a plan which
24 has been approved by the Assessment Coordination Division and provides that
25 the reappraisal will be completed within twenty-four (24) months following the
26 date of such approval.

27

28 SECTION 4. The Assessment Coordination Division of the Arkansas Public
29 Service Commission shall promulgate appropriate rules and regulations to carry
30 out the provisions of this act.

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32 SECTION 5. All provisions of this act of a general and permanent nature
33 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
34 Revision Commission shall incorporate the same in the Code.

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36 SECTION 6. If any provision of this act or the application thereof to

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

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6 SECTION 7. All laws and parts of laws in conflict with this act are
7 hereby repealed.

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9 SECTION 8. EMERGENCY. It is hereby found and determined by the General
10 Assembly that Act 758 of 1995 has placed an unfair burden on the taxpayers of
11 the State of Arkansas by directing countywide reappraisals of property in a
12 manner which circumvents the rollback provisions of Amendment 59 of the
13 Arkansas Constitution; that counties which have commenced a cyclical review of
14 property in accordance with Act 758 of 1995 should be permitted to implement a
15 fair and equitable comprehensive countywide reappraisal using valuations
16 determined through the cyclical review program and in a manner which minimizes
17 the disparities and inequities created through Act 758 of 1995; that when
18 there is a countywide reappraisal of property for ad valorem tax purposes
19 which is conducted over a period of two or more years, fairness and equity
20 demand that taxes not be assessed on the new appraised values of any property
21 in the county until all property therein has been reappraised, and that when
22 taxes are first assessed on the basis of the newly appraised values, the
23 provisions of Amendment #59 to the Arkansas Constitution, including the
24 rollback provision, should be applied; that this act is designed to accomplish
25 this purpose and should be given effect immediately. Therefore, an emergency
26 is declared to exist and this act being immediately necessary for the
27 preservation of the public peace, health and safety shall become effective on
28 the date of its approval by the Governor. If the bill is neither approved nor
29 vetoed by the Governor, it shall become effective on the expiration of the
30 period of time during which the Governor may veto the bill. If the bill is
31 vetoed by the Governor and the veto is overridden, it shall become effective
32 on the date the last house overrides the veto.

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/s/Rep. Courtway et al

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APPROVED:3-26-97