

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 400 of the Regular Session

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009
4

As Engrossed: H2/27/09

A Bill

HOUSE BILL 1386

5 By: Representative Davenport
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For An Act To Be Entitled

9 AN ACT TO ALLOW DELINQUENT PERSONAL PROPERTY
10 TAXES AND PENALTY TO BE DEDUCTED FROM THE
11 PROCEEDS OF DELINQUENT LAND SALES; AND FOR OTHER
12 PURPOSES.
13

Subtitle

14 TO ALLOW DELINQUENT PERSONAL PROPERTY
15 TAXES AND PENALTY TO BE DEDUCTED FROM
16 THE PROCEEDS OF DELINQUENT LAND SALES;
17 AND FOR OTHER PURPOSES.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
22

23 SECTION 1. Arkansas Code § 26-37-205, concerning the distribution of
24 funds from the sale of delinquent land, is amended to read as follows:

25 (a) All moneys collected by the Commissioner of State Lands from the
26 sale or redemption of tax delinquent lands shall be distributed as follows:

27 (1)(A) First, to the Commissioner of State Lands, the penalties,
28 the collection fees, the sale costs, and the other costs as prescribed by
29 law.

30 (B) The sale costs shall include, but not be limited to,
31 fees for title work;

32 (2) Second, to each county an amount equal to the taxes due plus
33 interest and costs to the county as certified by the county collector, which
34 amount shall be held in an escrow fund administered by and remitted to the
35 counties within one (1) calendar year of their receipt by the Commissioner of



1 State Lands; ~~and~~

2 (3)(A) Third, to each county an amount equal to the delinquent
3 personal property taxes, plus penalty, of the owner or owners of the
4 delinquent land as certified by the county collector, which amount shall be
5 held in an escrow fund administered by and remitted to the counties after one
6 (1) calendar year of their receipt by the Commissioner of State Lands.

7 (B) The Commissioner of State Lands shall review the
8 information provided by the county collector and any other interested party
9 to ascertain:

10 (i) Whether the personal property tax and
11 penalty qualifies to be withheld from the delinquent land sale proceeds; and

12 (ii) The amount of personal property tax and
13 penalty that qualifies under this subdivision (a)(3) to be withheld.

14 (C) If the Commissioner of State Lands is required to make
15 a refund of the personal property taxes withheld under this subdivision
16 (a)(3)(A) to a purchaser of delinquent lands for any reason, the amount of
17 the refund shall be recovered by the Commissioner of State Lands from the
18 county or counties that originally received the proceeds under this
19 subdivision (a)(3) of the delinquent land sale.

20 (D) The Commissioner of State Lands shall promulgate rules
21 and forms needed to administer this subdivision (a)(3).

22 (E) This section does not require the Commissioner of
23 State Lands to search county records to determine whether an owner of tax
24 delinquent land owes delinquent personal property taxes.

25 (F) This section does not grant a county a right to a lien
26 against real property for the payment of delinquent personal property tax;
27 and

28 ~~(3)(4)~~ Third Fourth, to be placed in another escrow fund
29 administered by the Commissioner of State Lands, the remainder, if any.

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31 /s/ Davenport

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33 **APPROVED: 3/13/2009**