

1 State of Arkansas  
2 94th General Assembly  
3 Regular Session, 2023  
4  
5 By: Representative Ray  
6

As Engrossed: H3/27/23

# A Bill

HOUSE BILL 1454

## For An Act To Be Entitled

8 AN ACT TO AMEND THE DEFINITION OF A HOMESTEAD FOR  
9 PURPOSES OF PROPERTY TAXATION; TO PROVIDE THAT  
10 CERTAIN DWELLINGS OWNED BY A LIMITED LIABILITY  
11 COMPANY QUALIFY AS A HOMESTEAD; AND FOR OTHER  
12 PURPOSES.

### Subtitle

16 TO AMEND THE DEFINITION OF A HOMESTEAD  
17 FOR PURPOSES OF PROPERTY TAXATION; AND TO  
18 PROVIDE THAT CERTAIN DWELLINGS OWNED BY A  
19 LIMITED LIABILITY COMPANY QUALIFY AS A  
20 HOMESTEAD.

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

25 *SECTION 1. Arkansas Code § 26-26-1118(b)(2)(A), concerning the*  
26 *limitation on increase of property's assessed value and the homestead*  
27 *property tax credit, is amended to read as follows:*

28 *(2)(A)(i) Each property owner shall register with the county*  
29 *assessor proof of eligibility for the property tax credit if the property*  
30 *owner intends to claim a property tax credit.*

31 *(ii) For property owned by a limited liability*  
32 *company, proof of eligibility shall include without limitation:*

33 *(a) A certificate of good standing from the*  
34 *Secretary of State for the limited liability company; and*

35 *(b) A signed attestation by the member or*  
36 *members claiming the property tax credit stating that the member or members*



1 are not claiming the property tax credit for any other property.

2  
3 SECTION 2. Arkansas Code § 26-26-1122(a)(2), concerning the definition  
4 of homestead for purposes of the homestead property-tax exemption, is amended  
5 to read as follows:

6 (A) "Homestead" means the dwelling of a person that is  
7 used as his or her principal place of residence with the contiguous land,  
8 excluding all land valued as agricultural land, pasture land, or timberland.

9 (B) "Homestead" includes:

10 (i) A dwelling owned by a revocable or irrevocable  
11 trust and used as the principal place of residence of the person who formed  
12 the trust; ~~and~~

13 (ii) A dwelling owned by an irrevocable trust and  
14 used as the principal place of residence of a beneficiary of the trust, as  
15 evidenced by submitting a signed, notarized, and file-marked copy of the  
16 irrevocable trust to the county assessor; and

17 (iii) A dwelling owned by a limited liability  
18 company whose members are either a married couple or otherwise no more than  
19 one (1) natural person, at least one (1) of whom claims the homestead tax  
20 credit under § 26-26-1118 and uses the dwelling as his or her principle place  
21 of residence.

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23 SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective  
24 for assessment years beginning on or after January 1, 2024.

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26 /s/Ray

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29 APPROVED: 4/11/23