

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 659 of the Regular Session

1 State of Arkansas  
2 85th General Assembly  
3 Regular Session, 2005  
4

As Engrossed: H2/25/05

**A Bill**

HOUSE BILL 1925

5 By: Representative Mack  
6 By: Senator Hill  
7  
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**For An Act To Be Entitled**

10 AN ACT PERTAINING TO THE CERTIFICATION OF THE  
11 COUNTY PROPERTY TAX REDUCTION AND THE  
12 DISTRIBUTION TO THE COUNTIES FROM THE PROPERTY  
13 TAX RELIEF TRUST FUND; AND FOR OTHER PURPOSES.  
14

**Subtitle**

15 PERTAINING TO THE CERTIFICATION OF THE  
16 COUNTY PROPERTY TAX REDUCTION AND THE  
17 DISTRIBUTION TO THE COUNTIES FROM THE  
18 PROPERTY TAX RELIEF TRUST FUND.  
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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24 SECTION 1. Arkansas Code § 26-26-310 is amended to read as follows:

25 26-26-310. Certification of amount of property tax reduction.

26 (a)(1) On or before March 31 of each year, 2001, and each March 31  
27 ~~thereafter~~, the county collector of each county shall certify to the Chief  
28 Fiscal Officer of the State the amount of the real property tax reduction  
29 provided in § 26-26-1118.

30 (2)(A) After receipt of the certification from the county  
31 collectors, the Chief Fiscal Officer of the State shall determine the  
32 proportionate share of the total statewide reduction attributable to each  
33 county.

34 (B)(i) At the end of each month, the Chief Fiscal Officer  
35 of the State shall determine the balance in the Property Tax Relief Trust



1 Fund and certify it to the Treasurer of State, ~~who shall~~

2 (ii) The Treasurer of State shall make distributions  
3 from the fund to each county treasurer in accordance with the county's  
4 proportionate share of the total statewide property tax reduction for that  
5 calendar year resulting from the provisions of § 26-26-1118.

6 (iii)(a) Effective January 1, 2006, the Treasurer of  
7 State shall make a monthly distribution from the Property Tax Relief Trust  
8 Fund to each county treasurer.

9 (b) The distributions for January, February,  
10 and March shall be in accordance with the county's proportionate share of the  
11 total statewide property tax reduction as of the final county certification  
12 of the previous year.

13 (c) Beginning in April of each year, the  
14 distribution from the Property Tax Relief Trust Fund to each county treasurer  
15 shall be in accordance with the county's proportionate share of the total  
16 statewide property tax reduction for that calendar year under § 26-26-1118.

17 (C)(i) If the Chief Fiscal Officer of the State has not  
18 received all of the certifications from the county collectors, then the  
19 distribution of the fund shall be as follows until all certifications have  
20 been received:

21 (a) The total amount of the fund to be  
22 distributed shall equal the total amount in the fund multiplied by the  
23 proportion of the previous year's total property assessment, less tangible  
24 personal property and property owned by utilities and regulated carriers, of  
25 the counties that have certified, divided by the previous year's total  
26 property assessment, less tangible personal property and property owned by  
27 utilities and regulated carriers in the state;

28 (b) Each county that has certified its  
29 property tax reduction shall receive an amount of the fund, as adjusted in  
30 subdivision (a)(2)(C)(i)(a) of this section, equal to the county's  
31 proportionate share of the total property tax reduction of the counties that  
32 have certified their property tax reductions.

33 (ii) However, until all counties have certified  
34 their property tax reductions to the Chief Fiscal Officer of the State, no  
35 county shall receive more than seventy-five percent (75%) of its certified  
36 property tax reduction.

1 (3)(A)(i) Funds so received by the county treasurers shall be  
2 credited to the county property tax relief fund.

3 (ii) Ninety-six percent (96%) of the funds shall be  
4 allocated and distributed to the various taxing entities within the county  
5 that levy ad valorem taxes.

6 (iii) The allocation shall be based on a  
7 certification from the collector of the amount of the real property tax  
8 reduction per taxing entity provided in § 26-26-1118.

9 (iv) The four percent (4%) retained in the fund is  
10 the commission of the county collector as authorized under § 21-6-305(a)(4).

11 (v) This commission shall ~~be transferred to the~~  
12 ~~general fund of the county in December of each year to~~ become a part of the  
13 total commission of the county collector.

14 (vi) These funds are subject to § 21-6-305(d).

15 (B) Funds so received by the various taxing units shall be  
16 used for the same purposes and in the same proportions as otherwise provided  
17 by law.

18 (b)(1) ~~Reimbursements~~ Distributions to each county shall continue on a  
19 monthly basis from the fund until the full amount certified by the county  
20 collectors, as of November 15 of each year, has been paid.

21 (2)(A) In no event shall the amount distributed to a county  
22 during a calendar year from the fund exceed the final amount certified by the  
23 county collector as of November 15 as the property tax reduction for that  
24 calendar year resulting from § 26-26-1118.

25 (B) If a county is paid in excess of its proportionate  
26 share, the Chief Fiscal Officer of the State shall have the authority to  
27 reduce payments made to the county for the subsequent calendar year until the  
28 overpayment is recovered.

29 (C) ~~Commencing December 31, 2002, and each December 31~~  
30 ~~thereafter~~ On or before December 31 of each year, the Chief Fiscal Officer of  
31 the State, in cooperation with the Legislative Council and the Legislative  
32 Auditor, shall determine that portion of the balance remaining that is in  
33 excess of the required reimbursement to the counties and shall certify the  
34 excess to the Treasurer of State. Such excess funds may be used in accordance  
35 with subsequent legislation to provide additional tax relief or financial  
36 assistance to school districts that incur a reduction in revenue as a direct

1 result of Arkansas Constitution, Amendment 79.

2 (3)(A) The Legislative Auditor or his or her designee shall  
3 audit the books and records of the county assessor, county collector, or any  
4 other party as needed to ensure that the amount of the property tax reduction  
5 certified by the county collector is accurate.

6 (B) The Chief Fiscal Officer of the State shall have the  
7 authority to adjust the amount certified by the county collector if it is  
8 discovered that the certified amount is incorrect.

9 (c)(1) ~~Beginning in 2001, on~~ On or before June 30 and November 15 of  
10 each year, the county collector of each county shall recertify to the Chief  
11 Fiscal Officer of the State the amount of the real property tax reduction  
12 provided in § 26-26-1118.

13 (2) The recertification shall reflect the most current total of  
14 tax reductions based on corrections and amendments to the records of the  
15 assessor.

16 (3) After receipt of the recertification from the county  
17 collectors, the Chief Fiscal Officer of the State shall redetermine the  
18 proportionate share of the total statewide reduction attributable to each  
19 county.

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*/s/ Mack*

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*APPROVED: 3/07/2005*

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