



**State of Arkansas
Department of Finance and Administration
Fiscal Impact Statement**

Bill: HB1103

Bill Subtitle: TO INCREASE THE HOMESTEAD PROPERTY TAX CREDIT.

Sponsors :

Reps. Schulz, Hawk, J. Moore, Painter, Wooldridge, Pearce, Steimel, Walker, R. Scott Richardson, Achor, Barnett, Beaty Jr., Beck, Bentley, Breaux, Brooks, A. Brown, M. Brown, Joey Carr, Cavanaugh, Childress, Clowney, Cooper, Cozart, Dalby, Duffield, Duke, Eaves, Eubanks, Evans, Gazaway, Gonzales, Gonzales Worthen, Gramlich, Henley, Holladay, Hudson, Johnson, Ladyman, Long, Lynch, Maddox, Magie, Mayberry, McAlindon, McClure, McCullough, McGrew, McKenzie, McNair, Meeks, K. Moore, Perry, Pilkington, Puryear, Ray, J. Richardson, Richmond, Rose, Rye, M. Shepherd, Springer, Steele, Vaught, Wardlaw, D. Whitaker, Womack, and Wooten

Sens. Crowell, Boyd, Bryant, Caldwell, Clark, Davis, Dees, Dismang, English, Flippo, Flowers, Gilmore, Hammer, Hester, Hickey, Hill, Irvin, B. Johnson, M. Johnson, King, Leding, Love, McKee, Murdock, Payton, Penzo, Petty, Rice, Scott, Simon, Stone, Sullivan, Tucker, and Wallace

Basic Change :

HB1103 increases the Homestead Property Tax Credit from \$600 to \$675. The Homestead Property Tax Credit reduces the amount of real property taxes due on a property owner's qualified homestead for each assessment year. To claim the credit, a property owner registers with the county assessor and provides proof of eligibility for the credit.

HB1103 is effective for assessment years beginning on or after January 1, 2026.

Fiscal Impact :

CY2027 Total impact of Increased Tax Credits - \$39,800,000

CY2028 Total impact of Increase Tax Credits - \$40,400,000

HB1103 will have no impact on general revenue.

Taxpayer Impact :

A homeowner who receives the Homestead Property Tax Credit will receive a credit of \$675 against his or her real property tax liability.

Resources Required :

County Assessors and Tax Collectors will require software changes.

Time Required :

Adequate time is provided for implementation.



**State of Arkansas
Department of Finance and Administration
Fiscal Impact Statement**

Bill: HB1103

Bill Subtitle: TO INCREASE THE HOMESTEAD PROPERTY TAX CREDIT.

Procedural Changes :

County Assessors, Tax Collectors, and the taxpayer community will need to be notified of the increased tax credit amount.

Other Comments :

None.

Legal Analysis :

None.