



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

Bill: SR15

Bill Subtitle: TO AUTHORIZE THE INTRODUCTION OF A NONAPPROPRIATION BILL TO INCREASE THE HOMESTEAD PROPERTY TAX CREDIT.

Sponsor :

Sen. Crowell

Basic Change :

SR15 authorizes the introduction of a nonappropriation bill that would increase 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.

SR15 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

SR15 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.

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.