

1 INTERIM STUDY PROPOSAL 2017-086

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3 REQUESTING THAT THE SENATE COMMITTEE ON STATE AGENCIES AND  
4 GOVERNMENTAL AFFAIRS STUDY THE PROCESS FOR AWARDING HOMESTEAD  
5 PROPERTY TAX CREDITS, INCLUDING THE MECHANISMS IN PLACE TO  
6 GUARANTEE THAT A CITIZEN OWNING MULTIPLE PARCELS OF LAND RECEIVE  
7 ONLY ONE (1) TAX CREDIT.  
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9 WHEREAS, Arkansas Constitution, Amendment 79, § 3, requires that the  
10 General Assembly provide by law for an annual state credit against ad valorem  
11 property tax on a homestead; and  
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13 WHEREAS, Arkansas Code § 26-26-1118 implements Amendment 79, § 3, by  
14 establishing a homestead property tax credit for each assessment year that  
15 reduces the amount of real property taxes assessed on the homestead of each  
16 property owner by three hundred fifty dollars (\$350); and  
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18 WHEREAS, while many citizens of Arkansas own multiple parcels of land,  
19 each individual may claim only one (1) homestead property tax credit; and  
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21 WHEREAS, past media reports have evidenced that some citizens of the  
22 state owning multiple parcels of land receive more than one (1) homestead  
23 property tax credit, particularly if the parcels of land are in different  
24 counties; and  
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26 WHEREAS, while roughly seven hundred thousand (700,000) parcels of land  
27 in this state are identified with a homestead property tax credit, there is  
28 no way to determine whether that number includes multiple homestead property  
29 tax credits for the same citizen; and  
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31 WHEREAS, the state should consider methods to ensure that citizens of  
32 the state claim only one (1) homestead property tax credit as envisioned by  
33 Arkansas Constitution, Amendment 79, § 3,  
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35 NOW THEREFORE,

1 BE IT PROPOSED BY THE SENATE COMMITTEE ON STATE AGENCIES AND GOVERNMENTAL  
2 AFFAIRS OF THE NINETY-FIRST GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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4 THAT the Senate Committee on State Agencies and Governmental Affairs  
5 study methods to ensure that citizens of the state claim only one (1)  
6 homestead property tax credit, including without limitation studying:

7 (1) The total number and dollar value of homestead property tax  
8 credits extended to citizens of the State of Arkansas;

9 (2) The process for claiming homestead property tax credits;

10 (3) Reimbursement provided to counties to offset the award of  
11 homestead property tax credits;

12 (4) Existing mechanisms to ensure that citizens do not claim  
13 more than one (1) homestead property tax credit; and

14 (5) Possible additional mechanisms to ensure that citizens do  
15 not claim more than one (1) homestead property tax credit, including without  
16 limitation the cost and feasibility of these additional mechanisms.

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18 BE IT FURTHER PROPOSED that the House Committee on State Agencies and  
19 Governmental Affairs be invited to meet jointly with the Senate Committee on  
20 State Agencies and Governmental Affairs and participate in the study.

21  
22 Respectfully submitted,

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24 Senator Eddie Joe Williams

25 District 29

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27 By: MBM/KFW  
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