

State of Arkansas
76th General Assembly
Regular Session, 1987
By: Representative D. Wood

HOUSE BILL 1048

"AN ACT TO AMEND SECTIONS 1 AND 3 OF ACT 63 OF 1973, AS AMENDED [ARK. STAT. 84-2021.4 AND 84-2021.6], TO ALLOW PERSONS WHO ARE ONE HUNDRED PERCENT DISABLED TO CLAIM AN INCOME TAX CREDIT OR A REBATE FROM THE STATE FOR A PORTION OF THE PROPERTY TAX PAID ON THEIR HOMES; TO AMEND SECTION 7 OF ACT 63 OF 1973, AS AMENDED [ARK. STAT. 84-2021.10] TO REVISE THE AMOUNT OF THE TAX CREDIT OR CASH REBATE; AND FOR OTHER PURPOSES."

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

SECTION 1. Section 1 of Act 63 of 1973, the same being Arkansas Statutes 84-2021.4, is hereby amended to read as follows:

"Section 1. It is the purpose and the intent of this Act to prescribe a procedure whereby residents of this State, sixty-five (65) years of age or older, unmarried females who are residents of this State and who are sixty-two (62) years of age or older, or persons determined by the Federal Social Security Administration to be one hundred percent (100%) disabled, who own and pay ad valorem property taxes on their homes, may claim a tax credit on their State income tax for a portion of the property taxes paid on their homes, or may claim a rebate from the State to lessen the burden placed upon such taxpayers by the ad valorem property taxes levied upon their homes.

SECTION 2. Section 3 of Act 63 of 1973, as amended, the same being Arkansas Statutes 84-2021.6, is hereby amended to read as follows:

"Section 3. Any person determined by the Federal Social Security Administration to be one hundred percent (100%) disabled, any person sixty-five (65) years of age or older, or any unmarried female person sixty-two (62) years of age or older, who has been a resident of this State for two (2) years

or more, who owns and has resided in a homestead in this State for a period of one (1) year or more, may, subject to the limitations and requirements prescribed herein, file a claim in the manner hereinafter provided for a cash rebate or a credit against the claimant's Arkansas income tax, for ad valorem property taxes paid upon the homestead of the claimant in the preceding calendar year, up to the limits hereinafter prescribed. If the allowable amount of such claim exceeds the claimant's Arkansas income taxes for the year, or if the claimant owes no Arkansas income taxes for the year, the amount of the claim or so much thereof as is not used as a credit against Arkansas income taxes, shall be paid to the claimant as a cash rebate, provided, no interest shall be allowed on any payment made to a claimant under the provisions of this Act."

SECTION 3. Section 7 of Act 63 of 1973, as amended, the same being Arkansas Statutes 84-2021.10, is hereby amended to read as follows:

"Section 7. The amount of any tax credit or cash rebate allowed or made pursuant to the provisions of this Act shall be determined as follows:

(a) If the household income of the claimant's household was six thousand dollars (\$6,000) or less during the income year, the claimant shall be entitled to file a claim for an amount equal to the ad valorem taxes paid on the claimant's homestead, provided the maximum tax credit or rebate any claimant may receive under this subsection shall be three hundred fifty dollars (\$350).

(b) If the household income of the claimant's household is more than six thousand dollars (\$6,000) but not more than nine thousand dollars (\$9,000) for the income year the claimant shall be entitled to file a claim for an amount equal to the ad valorem taxes paid on the claimant's homestead, provided the maximum tax credit or rebate any claimant may receive under this subsection shall be three hundred dollars (\$300).

(c) If the household income of the claimant's household is more than nine thousand dollars (\$9,000) but not more than ten thousand dollars (\$10,000) for the income year, the claimant shall be entitled to file a claim for an amount equal to the ad valorem taxes paid on the claimant's homestead, provided the maximum tax credit or rebate any claimant may receive under this subsection shall be two hundred seventy-five dollars (\$275).

(d) If the household income of the claimant's household is more than ten

thousand dollars (\$10,000) but not more than eleven thousand dollars (\$11,000) for the income year, the claimant shall be entitled to file a claim for an amount equal to the ad valorem taxes paid on the claimant's homestead, provided the maximum tax credit or rebate any claimant may receive under this subsection shall be two hundred fifty dollars (\$250).

(e) If the household income of the claimant's household is more than eleven thousand dollars (\$11,000) but not more than twelve thousand dollars (\$12,000) for the income year, the claimant shall be entitled to file a claim for an amount equal to the ad valorem taxes paid on the claimant's homestead, provided the maximum tax credit or rebate any claimant may receive under this subsection shall be two hundred twenty-five dollars (\$225).

(f) Under no circumstances shall a claimant be entitled to receive a tax credit or cash rebate in excess of three hundred fifty dollars (\$350) in any one (1) year under the provisions of this Act."

SECTION 4. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 5. It is hereby found and determined by the General Assembly of the State of Arkansas that many residents who have been determined to be one hundred percent (100%) disabled are in need of immediate relief to lessen the burden of ad valorem property taxes on their homesteads and that the provisions of the Homeowner's Property Tax Relief Act, Act 63 of 1973, should be amended to allow persons who have been determined to be one hundred percent disabled to claim the income tax credit or rebate allowed by the Act and to revise the income tax credit or rebate limits. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety, shall be in full force and effect from and after its passage and approval.

