

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999
4

As Engrossed: H1/28/99 H2/5/99 H3/3/99

A Bill

HOUSE BILL 1003

5 By: Representatives Glover, *Milum*
6
7

For An Act To Be Entitled

9 "AN ACT TO REDUCE THE PROPERTY TAX ASSESSMENT VALUE TO
10 *FIFTEEN PERCENT (15%)* AND TO INCREASE THE STATE SALES
11 *TAX BY TWO-THIRDS OF ONE PERCENT (2/3 OF 1%); AND FOR*
12 *OTHER PURPOSES. "*
13

Subtitle

15 "TO REDUCE THE PROPERTY TAX ASSESSMENT
16 VALUE TO *15%* AND TO INCREASE THE STATE
17 *SALES TAX BY TWO-THIRDS OF ONE PERCENT*
18 *(2/3) OF 1%. "*
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. Arkansas Code § 26-26-304(b) is amended to read as follows:

23 "(b)(1) A ratio study for the purpose of determining the average ratio
24 of assessed value to the true and full market or actual value of personal
25 property in each of the several counties of the state also shall be made. This
26 ratio study of personal property shall be based upon a physical examination of
27 the records of each assessor's office to determine the degree of compliance
28 with the criteria as established by the Personal Property Manual.

29 (2) The personal property original ratio study shall be certified by
30 the division to the county judge and county tax assessor of each county, and
31 to the proper fiscal officials that disburse all state aid or turnback from
32 all sources accruing to the county, municipalities, and school districts by
33 August 1 of each year.

34 (3) The assessed value of real and personal property in each county
35 shall be placed on the tax record at ~~eighteen percent (18%) of true and full~~
36 ~~market or actual value for the assessment year 1959 and thereafter at twenty~~

1 ~~percent (20%)~~ fifteen percent (15%) of the true and full market or actual
2 value for the assessment year ~~1960-2000~~ and subsequent assessment years.”

3
4 SECTION 2. Beginning January 1, 2000, there is hereby levied an
5 additional excise tax of two-thirds of one percent (2/3 of 1%) upon all
6 taxable sales of property and services subject to the tax levied by the
7 Arkansas Gross Receipts Act (Arkansas Code §§ 26-52-101 through 26-52-1507).
8 The tax shall be collected, reported, and paid in the same manner and at the
9 same time as is prescribed by the Arkansas Gross Receipts Tax Act for the
10 collection, reporting and payment of the Arkansas gross receipts tax.

11
12 SECTION 3. Beginning January 1, 2000, there is hereby levied an
13 additional excise tax of two-thirds of one percent (2/3 of 1%) upon all
14 tangible personal property subject to the tax levied in the Arkansas
15 Compensating Tax Act (Arkansas Code 26-53-101 through 26-53-303). The tax
16 shall be collected, reported, and paid in the same manner and at the same time
17 as is prescribed by the Arkansas Compensating Tax Act for the collection,
18 reporting and payment of Arkansas compensating taxes.

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20 SECTION 4 (a) The revenues generated by Sections 2 and 3 of this act
21 shall be deposited in the “Property Tax Relief Fund” hereby created on the
22 books of the treasurer of State, Auditor of State and the Chief Fiscal Officer
23 of the State.

24 (b) Beginning January 1, 2001, the funds in the Property Tax Relief
25 Fund shall be remitted to the respective county treasurers for allocation and
26 distribution to the various taxing units in the counties which levy ad valorem
27 taxes. Each such taxing unit shall annually receive an amount equal to the
28 revenues lost as a result of the exemption set forth in Section 1 of this act.
29 Funds so received by the various taxing units shall be used for the same
30 purposes and in the same proportions as ad valorem tax revenues lost as a
31 result of the exemptions provided for in Section 1 would have been used if
32 collected.

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34 SECTION 5. The provisions of this act shall be effective on and after
35 January 1, 2000.

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1 SECTION 6. All provisions of this Act of a general and permanent nature
2 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
3 Revision Commission shall incorporate the same in the Code.

4
5 SECTION 7. If any provision of this Act or the application thereof to
6 any person or circumstance is held invalid, such invalidity shall not affect
7 other provisions or applications of the Act which can be given effect without
8 the invalid provision or application, and to this end the provisions of this
9 Act are declared to be severable.

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11 SECTION 8. All laws and parts of laws in conflict with this Act are
12 hereby repealed.

13 */s/ Glover, et al*
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