

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: H1/18/99 H1/22/99 H2/26/99

# A Bill

HOUSE BILL 1022

5 By: Representatives Milum, Glover, and Wilkinson  
6 By: Senator Brown  
7  
8

## For An Act To Be Entitled

9  
10 "AN ACT TO EXEMPT THE FIRST TWENTY THOUSAND DOLLARS  
11 (\$20,000) OF THE VALUE OF A RESIDENCE OWNED BY A  
12 PERSON WHO IS SIXTY FIVE (65) YEARS OF AGE OR OLDER  
13 FROM AD VALOREM PROPERTY TAXES; AND FOR OTHER  
14 PURPOSES. "

## Subtitle

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17 "AN ACT TO EXEMPT THE FIRST TWENTY  
18 THOUSAND DOLLARS (\$20,000) OF THE VALUE  
19 OF A RESIDENCE OWNED BY A PERSON WHO IS  
20 SIXTY FIVE (65) YEARS OF AGE OR OLDER  
21 FROM AD VALOREM PROPERTY TAXES. "

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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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26 SECTION 1. The valuation of real property actually occupied by its  
27 owner as a residence who is sixty-five (65) years of age or older, is exempt  
28 in an amount equal to the first Twenty Thousand Dollars (\$20,000) in value  
29 thereof, as a homestead from ad valorem property taxes. However, if during  
30 this regular session an income tax credit is enacted for all or a portion of  
31 the property taxes on homesteads, the taxpayer shall be entitled to choose  
32 each year whether to utilize the income tax credit or the exemption provided  
33 by this act.  
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35 SECTION 2. (a) On or before January 1, 2000 and each January 1  
36 thereafter, each county collector shall calculate the lost revenue of the

1 county and each school district, city, and any other taxing unit within the  
2 county for the previous calendar year and shall certify that sum to the Chief  
3 Fiscal Officer of the State. On the last day of each month in a calendar year  
4 beginning January 30, 2000, the Chief Fiscal Officer shall certify one-twelfth  
5 (1/12) of such amount to the State Treasurer who shall distribute such amount  
6 from General Revenues to the county collector. The county collector shall  
7 allocate and distribute the funds to the various taxing units in accordance  
8 with the lost revenue calculations.

9 (b) For purposes of this section, the term "lost revenue" means the  
10 difference between the total amount of real property taxes which would have  
11 been billed during the previous calendar year but for the exemption granted by  
12 this act, and the amount of real property taxes which were actually billed  
13 during the previous calendar year by the county collector on behalf of the  
14 county and all taxing units within the county.

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16 SECTION 3. The provisions of this act shall be effective for taxable  
17 years beginning on and after January 1, 1999.

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19 SECTION 4. EMERGENCY CLAUSE. It is hereby found and determined by the  
20 General Assembly that real property taxes in Arkansas are burdensome to many  
21 of the state's elderly taxpayers; that the Constitution provides a mechanism  
22 for the legislature to relieve these taxpayers from this burden; that this act  
23 implements that portion of the Constitution allowing a reduction in property  
24 value to elderly taxpayers and therefore relieving them from a portion of  
25 their property tax. Therefore, an emergency is declared to exist and this act  
26 being immediately necessary for the preservation of the public peace, health  
27 and safety shall become effective on the date of its approval by the Governor.  
28 If the bill is neither approved nor vetoed by the Governor, it shall become  
29 effective on the expiration of the period of time during which the Governor  
30 may veto the bill. If the bill is vetoed by the Governor and the veto is  
31 overridden, it shall become effective on the date the last house overrides the  
32 veto.

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34 SECTION 5. All provisions of this Act of a general and permanent nature  
35 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
36 Revision Commission shall incorporate the same in the Code.

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

SECTION 7. All laws and parts of laws in conflict with this Act are hereby repealed.

*/s/ Milum, et al*