

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: S1/26/99

A Bill

SENATE BILL 7

5 By: Senator Canada
6
7

For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE § 26-51-602 TO REDEFINE
10 THE TERM HOMESTEAD; TO AMEND ARKANSAS CODE §§ 26-51-
11 603(a) AND 26-51-607 TO INCREASE THE HOMESTEAD TAX
12 CREDIT; AND FOR OTHER PURPOSES."

Subtitle

14 "TO INCREASE THE HOMESTEAD TAX CREDIT."
15
16

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 SECTION 1. Arkansas Code § 26-51-602(5) is amended to read as follows:

20 "(5) 'Homestead' means a dwelling owned by a claimant and used as his
21 principal place of abode, including the parcel of land on which the dwelling
22 is situated and ~~all~~ lands contiguous thereto or a dwelling owned by a
23 revocable trust and used as the principal place of abode of persons who formed
24 the trust and otherwise qualify as a claimant, including the parcel of land on
25 which the dwelling is situated and ~~all~~ lands contiguous thereto. Homesteads
26 located outside a city or town shall not exceed forty (40) acres and
27 homesteads located within a city or town shall not exceed one (1) acre.

28 However, no dwelling and the lands on which it is located shall be considered
29 a homestead for the purposes of this subchapter unless the claimant has
30 resided thereon for at least one (1) year immediately preceding the filing of
31 a claim under this subchapter. Further, a mobile home which is affixed to the
32 realty and is taxed as real property may qualify as a homestead for the
33 purposes of this subchapter;"
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35 SECTION 2. Arkansas Code § 26-51-603(a) is amended to read as follows:

36 "(a) Any person ~~sixty-two (62) years of age or older,~~ who has been a resident

1 of this state for two (2) years or more, who owns and has resided in a
 2 homestead in this state for a period of one (1) year or more, may, subject to
 3 the limitations and requirements prescribed in this subchapter, file a claim
 4 in the manner provided by this subchapter for a cash refund for ad valorem
 5 property taxes paid upon the homestead of the claimant during or after the
 6 third year of residency in this state, up to the limits prescribed in
 7 § 26-51-607."

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9 SECTION 3. Arkansas Code § 26-51-607 is amended to read as follows:
 10 "§ 26-51-607. Allowable cash refund - Maximum. [Effective as provided by
 11 Acts 1997, No. 328, §§ 10 and 11.]

12 (a) The amount of any cash refund allowed or made pursuant to the
 13 provisions of this subchapter shall be determined as follows:

14 (1) If the household income of the claimant's household was eight
 15 thousand dollars (\$8,000) or less during the income year, the claimant shall
 16 be entitled to file a claim for an amount equal to the ad valorem taxes paid
 17 on the claimant's homestead; however, the maximum refund any claimant may
 18 receive under this subdivision shall be ~~three hundred dollars (\$300)~~six
 19 hundred dollars (\$600);

20 (2) If the household income of the claimant's household is more
 21 than eight thousand dollars (\$8,000) but not more than nine thousand dollars
 22 (\$9,000) for the income year, the claimant shall be entitled to file a claim
 23 for an amount equal to the ad valorem taxes paid on the claimant's homestead;
 24 however, the maximum refund any claimant may receive under this subdivision
 25 shall be ~~two hundred fifty dollars (\$250)~~five hundred fifty dollars (\$550);

26 (3) If the household income of the claimant's household is more
 27 than nine thousand dollars (\$9,000) but not more than ten thousand dollars
 28 (\$10,000) for the income year, the claimant shall be entitled to file a claim
 29 for an amount equal to the ad valorem taxes paid on the claimant's homestead;
 30 however, the maximum refund any claimant may receive under this subdivision
 31 shall be ~~two hundred dollars (\$200)~~five hundred dollars (\$500);

32 (4) If the household income of the claimant's household is more
 33 than ten thousand dollars (\$10,000) but not more than eleven thousand dollars
 34 (\$11,000) for the income year, the claimant shall be entitled to file a claim
 35 for an amount equal to the ad valorem taxes paid on the claimant's homestead;
 36 however, the maximum refund any claimant may receive under this subdivision

1 shall be ~~one hundred fifty dollars (\$150)~~four hundred fifty dollars (\$450);

2 (5) If the household income of the claimant's household is more
3 than eleven thousand dollars (\$11,000) but not more than twelve thousand
4 dollars (\$12,000) for the income year, the claimant shall be entitled to file
5 a claim for an amount equal to the ad valorem taxes paid on the claimant's
6 homestead; however, the maximum refund any claimant may receive under this
7 subdivision shall be ~~one hundred twenty-five dollars (\$125)~~four hundred twenty
8 five dollars (\$425);

9 (6) If the household income of the claimant's household is more
10 than twelve thousand dollars (\$12,000) but not more than sixteen thousand
11 dollars (\$16,000) for the income year, the claimant shall be entitled to file
12 a claim for an amount equal to the ad valorem taxes paid on the claimant's
13 homestead; however, the maximum refund any claimant may receive under this
14 subdivision shall be ~~one hundred dollars (\$100)~~four hundred dollars (\$400);

15 (7) If the household income of the claimant's household is more
16 than sixteen thousand dollars (\$16,000) but not more than fifty thousand
17 dollars (\$50,000) for the income year, the claimant shall be entitled to file
18 a claim for an amount equal to the ad valorem taxes paid on the claimant's
19 homestead; however, the maximum refund any claimant may receive under this
20 subdivision shall be three hundred dollars (\$300).

21 (b) The refund shall be paid to the claimant as a cash refund. However,
22 no interest shall be allowed on any payment made to a claimant under the
23 provisions of this subchapter.

24 (c) If a claimant or another member of the household has any
25 outstanding tax liability to the State of Arkansas, the amount of any claim
26 otherwise payable under this subchapter, or such portion thereof as is
27 necessary, shall be applied to the payment of the outstanding tax liability."
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29 SECTION 4. In the event the voters of this state adopt a constitutional
30 amendment to repeal the property tax, this act shall be void as of the
31 effective date of the constitutional amendment, and the code sections amended
32 by this act shall revert back to the language that existed immediately prior
33 to the effective date of this act.

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

1 Revision Commission shall incorporate the same in the Code.

2

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

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

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/s/ Canada