

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

A Bill

HOUSE BILL 1925

5 By: Representative Mack
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For An Act To Be Entitled

9 AN ACT PERTAINING TO THE CERTIFICATION OF THE
10 COUNTY PROPERTY TAX REDUCTION AND THE
11 DISTRIBUTION TO THE COUNTIES FROM THE PROPERTY
12 TAX RELIEF TRUST FUND; AND FOR OTHER PURPOSES.
13

Subtitle

14 PERTAINING TO THE CERTIFICATION OF THE
15 COUNTY PROPERTY TAX REDUCTION AND THE
16 DISTRIBUTION TO THE COUNTIES FROM THE
17 PROPERTY TAX RELIEF TRUST FUND.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code § 26-26-310 is amended to read as follows:
24 26-26-310. Certification of amount of property tax reduction.

25 (a)(1) On or before March 31 of each year, 2001, and each March 31
26 ~~thereafter~~, the county collector of each county shall certify to the Chief
27 Fiscal Officer of the State the amount of the real property tax reduction
28 provided in § 26-26-1118.

29 (2)(A) After receipt of the certification from the county
30 collectors, the Chief Fiscal Officer of the State shall determine the
31 proportionate share of the total statewide reduction attributable to each
32 county.

33 (B)(i) At the end of each month, the Chief Fiscal Officer
34 of the State shall determine the balance in the Property Tax Relief Trust
35 Fund and certify it to the Treasurer of State, ~~who shall~~

36 (ii) The Treasurer of State shall make distributions



1 from the fund to each county treasurer in accordance with the county's
 2 proportionate share of the total statewide property tax reduction for that
 3 calendar year resulting from the provisions of § 26-26-1118.

4 (iii)(a) Effective January 1, 2006, the Treasurer of
 5 State shall make a monthly distribution from the Property Tax Relief Trust
 6 Fund to each county treasurer.

7 (b) The distributions for January, February,
 8 and March shall be in accordance with the county's proportionate share of the
 9 total statewide property tax reduction as of the final county certification
 10 of the previous year.

11 (c) Beginning in April of each year, the
 12 distribution from the Property Tax Relief Trust Fund to each county treasurer
 13 shall be in accordance with the county's proportionate share of the total
 14 statewide property tax reduction for that calendar year under § 26-26-1118.

15 (C)(i) If the Chief Fiscal Officer of the State has not
 16 received all of the certifications from the county collectors, then the
 17 distribution of the fund shall be as follows until all certifications have
 18 been received:

19 (a) The total amount of the fund to be
 20 distributed shall equal the total amount in the fund multiplied by the
 21 proportion of the previous year's total property assessment, less tangible
 22 personal property and property owned by utilities and regulated carriers, of
 23 the counties that have certified, divided by the previous year's total
 24 property assessment, less tangible personal property and property owned by
 25 utilities and regulated carriers in the state;

26 (b) Each county that has certified its
 27 property tax reduction shall receive an amount of the fund, as adjusted in
 28 subdivision (a)(2)(C)(i)(a) of this section, equal to the county's
 29 proportionate share of the total property tax reduction of the counties that
 30 have certified their property tax reductions.

31 (ii) However, until all counties have certified
 32 their property tax reductions to the Chief Fiscal Officer of the State, no
 33 county shall receive more than seventy-five percent (75%) of its certified
 34 property tax reduction.

35 (3)(A)(i) Funds so received by the county treasurers shall be
 36 credited to the county property tax relief fund.

1 (ii) Ninety-six percent (96%) of the funds shall be
 2 allocated and distributed to the various taxing entities within the county
 3 that levy ad valorem taxes.

4 (iii) The allocation shall be based on a
 5 certification from the collector of the amount of the real property tax
 6 reduction per taxing entity provided in § 26-26-1118.

7 (iv) The four percent (4%) retained in the fund is
 8 the commission of the county collector as authorized under § 21-6-305(a)(4).

9 (v) This commission shall ~~be transferred to the~~
 10 ~~general fund of the county in December of each year to~~ become a part of the
 11 total commission of the county collector.

12 (vi) These funds are subject to § 21-6-305(d).

13 (B) Funds so received by the various taxing units shall be
 14 used for the same purposes and in the same proportions as otherwise provided
 15 by law.

16 (b)(1) ~~Reimbursements~~ Distributions to each county shall continue on a
 17 monthly basis from the fund until the full amount certified by the county
 18 collectors, as of November 15 of each year, has been paid.

19 (2)(A) In no event shall the amount distributed to a county
 20 during a calendar year from the fund exceed the final amount certified by the
 21 county collector as of November 15 as the property tax reduction for that
 22 calendar year resulting from § 26-26-1118.

23 (B) If a county is paid in excess of its proportionate
 24 share, the Chief Fiscal Officer of the State shall have the authority to
 25 reduce payments made to the county for the subsequent calendar year until the
 26 overpayment is recovered.

27 (C) ~~Commencing December 31, 2002, and each December 31~~
 28 ~~thereafter~~ On or before December 31 of each year, the Chief Fiscal Officer of
 29 the State, in cooperation with the Legislative Council and the Legislative
 30 Auditor, shall determine that portion of the balance remaining that is in
 31 excess of the required reimbursement to the counties and shall certify the
 32 excess to the Treasurer of State. Such excess funds may be used in accordance
 33 with subsequent legislation to provide additional tax relief or financial
 34 assistance to school districts that incur a reduction in revenue as a direct
 35 result of Arkansas Constitution, Amendment 79.

36 (3)(A) The Legislative Auditor or his or her designee shall

1 audit the books and records of the county assessor, county collector, or any
2 other party as needed to ensure that the amount of the property tax reduction
3 certified by the county collector is accurate.

4 (B) The Chief Fiscal Officer of the State shall have the
5 authority to adjust the amount certified by the county collector if it is
6 discovered that the certified amount is incorrect.

7 (c)(1) ~~Beginning in 2001, on~~ On or before June 30 and November 15 of
8 each year, the county collector of each county shall recertify to the Chief
9 Fiscal Officer of the State the amount of the real property tax reduction
10 provided in § 26-26-1118.

11 (2) The recertification shall reflect the most current total of
12 tax reductions based on corrections and amendments to the records of the
13 assessor.

14 (3) After receipt of the recertification from the county
15 collectors, the Chief Fiscal Officer of the State shall redetermine the
16 proportionate share of the total statewide reduction attributable to each
17 county.

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