

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

As Engrossed: H2/25/05

A Bill

HOUSE BILL 1925

5 By: Representative Mack
6 By: *Senator Hill*
7

For An Act To Be Entitled

10 AN ACT PERTAINING TO THE CERTIFICATION OF THE
11 COUNTY PROPERTY TAX REDUCTION AND THE
12 DISTRIBUTION TO THE COUNTIES FROM THE PROPERTY
13 TAX RELIEF TRUST FUND; AND FOR OTHER PURPOSES.
14

Subtitle

15 PERTAINING TO THE CERTIFICATION OF THE
16 COUNTY PROPERTY TAX REDUCTION AND THE
17 DISTRIBUTION TO THE COUNTIES FROM THE
18 PROPERTY TAX RELIEF TRUST FUND.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 26-26-310 is amended to read as follows:
25 26-26-310. Certification of amount of property tax reduction.

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

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

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



1 (ii) The Treasurer of State shall make distributions
2 from the fund to each county treasurer in accordance with the county's
3 proportionate share of the total statewide property tax reduction for that
4 calendar year resulting from the provisions of § 26-26-1118.

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

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

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

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

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

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

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

36 (3)(A)(i) Funds so received by the county treasurers shall be

1 credited to the county property tax relief fund.

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

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

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

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

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

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

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

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

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

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

1 (3)(A) The Legislative Auditor or his or her designee shall
2 audit the books and records of the county assessor, county collector, or any
3 other party as needed to ensure that the amount of the property tax reduction
4 certified by the county collector is accurate.

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

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

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

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

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/s/ Mack