

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 2471

5 By: Representative Stovall
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For An Act To Be Entitled

9 AN ACT TO IMPROVE THE VALUATION PROCESS FOR
10 AGRICULTURAL, PASTURE, AND TIMBER LAND IN ORDER
11 TO MORE ACCURATELY REFLECT PROPERTY VALUE AND TO
12 PRODUCE ADDITIONAL LOCAL REVENUES FOR PUBLIC
13 SCHOOL DISTRICTS AND COUNTIES; AND FOR OTHER
14 PURPOSES.

Subtitle

15
16 AN ACT TO IMPROVE THE VALUATION PROCESS
17 FOR AGRICULTURAL, PASTURE, AND TIMBER
18 LAND IN ORDER TO MORE ACCURATELY REFLECT
19 VALUE AND TO PRODUCE ADDITIONAL LOCAL
20 REVENUES FOR PUBLIC SCHOOL DISTRICTS AND
21 COUNTIES.
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code § 26-26-407(e), concerning the valuation of
28 agricultural, pasture, and timber land, is amended to read as follows:

29 (e)(1) The Assessment Coordination ~~Division of the Arkansas Public~~
30 ~~Service Commission Department~~, in devising and developing methods of
31 assessing and levying the ad valorem property tax on real property, shall
32 develop and publish tables and other data which shall be used by county
33 assessors for assessing lands qualifying under the provisions of this
34 subchapter.

35 (2)(A) Effective for assessment years beginning January 1, 2006,
36 the department shall annually update the valuation tables for assessing lands



1 qualifying as agricultural land, pasture land, and timber land.

2 (B) Beginning January 1, 2006, where there is a countywide
3 reappraisal, counties shall assess agricultural land, pasture land, and
4 timber land based upon the updated values issued for the assessment year.

5 (3)(A) Effective for assessment years beginning January 1, 2006,
6 the department by rule shall develop appropriate formulas reflecting the
7 productivity valuation of the land based upon income capability attributable
8 to agricultural land, pasture land, and timber land soils.

9 (B)(i) The department shall use a discount rate of eight
10 percent (8%) to estimate the value of agricultural land, pasture land, and
11 timber land.

12 (ii) The department may adjust the discount rate
13 based upon prevailing mortgage interest rates, but under no circumstances
14 shall the department adjust the discount rate below six percent (6%) or
15 exceeding ten percent (10%).

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