

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

A Bill

HOUSE BILL 2473

4
5 By: Representative Mack
6 By: Senator Hill

For An Act To Be Entitled

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9
10 AN ACT TO AMEND THE LAWS CONCERNING THE
11 ASSESSMENT OF PROPERTY TO DEFINE TERMS USED IN
12 AMENDMENT 79 OF THE ARKANSAS CONSTITUTION; AND
13 FOR OTHER PURPOSES.

Subtitle

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15
16 TO AMEND THE LAWS CONCERNING THE
17 ASSESSMENT OF PROPERTY TO DEFINE TERMS
18 USED IN AMENDMENT 79 OF THE ARKANSAS
19 CONSTITUTION.

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21
22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23
24 SECTION 1. Arkansas Code § 26-26-1118 is amended to read as follows:
25 26-26-1118. Limitation on increase of property's assessed value.

26 (a)(1) Effective with the assessment year 2000 and thereafter, the
27 amount of real property taxes assessed on the homestead of each property
28 owner shall be reduced by three hundred dollars (\$300), provided that no
29 assessment shall be reduced to less than zero (\$0.00).

30 (2) Each property owner shall pay the reduced tax amount to the
31 county.

32 (3) The tax reduction adopted by this section shall be reflected
33 on the tax bill sent to the property owner by the county collector.

34 (4) The county and taxing units within the county shall be
35 entitled to reimbursement of the reduction in accordance with § 26-26-310.

36 ~~(b) The term "homestead", as used in this section, means the dwelling~~



1 of a person which is used as his or her principal place of residence and land
2 contiguous thereto, excluding all land valued as agricultural land, pasture
3 land, or timber land. The term "homestead" shall also include a dwelling
4 owned by a revocable trust and used as the principal place of residence of a
5 person who formed the trust.

6 (e)(b)(1) Each county assessor shall be responsible for identifying
7 those parcels of real property that are used as a homestead residence prior
8 to issuing tax bills.

9 (2)(A) Each property owner shall register with the county
10 assessor proof of eligibility for the property tax credit if the property
11 owner intends to claim a property tax credit.

12 (B)(i) The registration may be attached to the deed or
13 other instrument conveying an interest in real property and filed with the
14 circuit clerk, who shall remit the registration to the county assessor.

15 (ii) The registration form shall not be filed by the
16 circuit clerk.

17 (C) The property owner may submit a registration for
18 property tax credit directly to the county assessor.

19 (3) In no event shall the property tax credit authorized by
20 subdivision (a)(1) of this section be allowed after ~~October 31~~ October 10 of
21 the year after the assessment.

22 (4)(A) A parcel of real estate shall qualify as a homestead
23 prior to January 1 of the year after assessment to be eligible for the
24 property tax credit.

25 (B) Once a parcel of real property is determined to be
26 eligible for the property tax credit, the parcel shall remain eligible for
27 that year regardless of a change in the use of the property during the year.

28 (5)(A) The parties to a transfer of property may prorate, as
29 between themselves, the property tax credit and the benefits of the credit by
30 agreement of the parties.

31 (B) If a property qualifies for the tax credit, the credit
32 shall apply regardless of who or what entity pays the property tax.

33 (6)(A) When property is transferred, the purchaser of the
34 property shall notify the county assessor of the new use of the property.

35 (B) The notification may be by affidavit provided by the
36 purchaser of the real property or on a form provided by the county assessor.

1 ~~(d)(1) "Property owner", as used in this section, means a person who~~
2 ~~is;~~

3 ~~(A) The owner of record of the real property or the~~
4 ~~mortgagee of the property;~~

5 ~~(B) A buyer under a recorded contract to purchase the real~~
6 ~~property; or~~

7 ~~(C) A person holding a recorded life estate in the real~~
8 ~~property.~~

9 ~~(2) "Property owner" under this section shall include the~~
10 ~~previous record owner of tax delinquent property that has vested in the state~~
11 ~~in care of the Commissioner of State Lands under § 26-37-101(e) if the~~
12 ~~previous record owner continues to occupy the residence subject to his or her~~
13 ~~right of redemption.~~

14
15 SECTION 2. Arkansas Code Title 26, Chapter 26, Subchapter 11 is
16 amended to add an additional section to read as follows:

17 26-26-1122. Definitions.

18 (a) As used in this subchapter and in the Arkansas Constitution,
19 Amendment 79:

20 (1)(A) "Homestead" means the dwelling of a person that is used
21 as his or her principal place of residence with the contiguous land,
22 excluding all land valued as agricultural land, pasture land, or timber land.

23 (B) "Homestead" shall also include a dwelling owned by a
24 revocable trust and used as the principal place of residence of a person who
25 formed the trust;

26 (2) "New construction" means changes to property that have
27 occurred to property already on the assessment roll;

28 (3) "Newly discovered real property" means property that has
29 never been on the assessment roll or that has changed use; and

30 (4)(A) "Property owner" means a person who is:

31 (i) The owner of record of the real property or the
32 mortgagee of the property;

33 (ii) A buyer under a recorded contract to purchase
34 the real property; or

35 (iii) A person holding a recorded life estate in the
36 real property.

