

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 86th General Assembly
3 Regular Session, 2007
4

A Bill

HOUSE BILL 1016

5 By: Representative Medley
6 By: Senator J. Taylor
7
8

For An Act To Be Entitled

9 AN ACT TO INCREASE THE MAXIMUM PROPERTY TAX
10 RELIEF CREDIT FOR A HOMESTEAD; TO ADJUST THE
11 AMOUNT ANNUALLY FOR INFLATION; AND FOR OTHER
12 PURPOSES.
13
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Subtitle

15 TO INCREASE THE MAXIMUM PROPERTY TAX
16 RELIEF CREDIT FOR A HOMESTEAD AND TO
17 ADJUST THE AMOUNT ANNUALLY FOR
18 INFLATION.
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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 § 26-26-1118(a)(1) is amended to read as
25 follows:

26 26-26-1118. Limitation on increase of property's assessed value.

27 (a)(1)(A) Effective with the assessment year 2000 and thereafter, the
28 amount of real property taxes assessed on the homestead of each property
29 owner shall be reduced by three hundred dollars (\$300).

30 (B) Effective with the assessment year 2008 and
31 thereafter, the amount of real property taxes assessed on the homestead of
32 each property owner shall be reduced by three hundred fifty dollars (\$350).

33 (C) Not later than July 15 of each calendar year beginning
34 January 1, 2009, and thereafter, the Chief Fiscal Officer of the State shall
35 increase the amount of the exemption in subdivision (a)(1)(B) of this section
36 by the cost-of-living adjustment for that calendar year, rounding each amount



1 to the nearest whole dollar.

2 (D) To determine the amount of the exemption in
3 subdivision (a)(1)(C) of this section for any year beginning January 1, 2009,
4 or thereafter, the cost-of-living adjustment is calculated by multiplying the
5 latest year's exemption amount by the average percentage increase, if any, in
6 the Consumer Price Index for All Urban Consumers (CPI-U) as it is published
7 for the previous calendar year. As used in this section, CPI-U means the
8 Consumer Price Index for All Urban Consumers published by the United States
9 Department of Labor, not to exceed three percent (3%).

10 (E) The CPI-U for any calendar year is the average of the
11 CPI-U for that year as of the close of the twelve-month period ending on July
12 15th of that calendar year.

13 ~~(B)(F)~~ However, no assessment shall be reduced to less
14 than zero dollars (\$0.00).

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16 Section 2. This act is effective for assessment years beginning on
17 January 1, 2008.

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