

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 2537

5 By: Representative Dunn
6
7

For An Act To Be Entitled

9 AN ACT TO REALLOCATE THE DISPOSITION OF THE REAL
10 PROPERTY TRANSFER TAX, TO COMBINE THE EXISTING
11 LEVY INTO ONE (1) TAX RATE; AND FOR OTHER
12 PURPOSES.
13

Subtitle

14 TO REALLOCATE THE DISPOSITION OF THE
15 REAL PROPERTY TRANSFER TAX.
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18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 26-60-105 concerning the tax on the
22 transfer of real property is amended to read as follows:

23 26-60-105. Tax on transfer instruments — ~~Additional tax.~~

24 ~~(a)~~ There is levied on each deed, instrument, or writing by which any
25 lands, tenements, or other realty sold shall be granted, assigned,
26 transferred, or otherwise conveyed to, or vested in, the purchaser, or any
27 other person by the purchaser's direction, when the consideration for the
28 interest or property conveyed exceeds one hundred dollars (\$100), a tax at
29 the rate of ~~one dollar and ten cents (\$1.10)~~ three dollars and thirty cents
30 (\$3.30) for each one thousand dollars (\$1,000) or fractional part thereof,
31 to be deposited and distributed under § 26-60-112.

32 ~~(b) In addition to the tax levied in subsection (a) of this section on~~
33 ~~each deed, instrument, or writing by which any lands, tenements, or other~~
34 ~~realty sold shall be granted, assigned, transferred, or otherwise conveyed to~~
35 ~~or vested in the purchaser or purchasers or any other person or persons by~~
36 ~~his or their direction when the consideration for the interest or property~~



1 ~~conveyed exceeds one hundred dollars (\$100), as levied under the provisions~~
 2 ~~of this chapter, there is levied an additional tax of two dollars and twenty~~
 3 ~~cents (\$2.20) for each one thousand dollars (\$1,000), or fractional part~~
 4 ~~thereof, to be paid by the purchaser and to be allocated and used for the~~
 5 ~~purposes as provided in § 15-12-103.~~

6
 7 SECTION 2. Arkansas Code § 26-60-112 concerning the disposition of
 8 funds under the real property transfer tax is amended to read as follows:

9 26-60-112. Disposition of funds collected.

10 ~~(a) The revenues from the additional tax levied by § 26-60-105(b)~~
 11 ~~shall be deemed special revenues and shall be deposited and distributed~~
 12 ~~according to § 15-12-103.~~

13 ~~(b)(a)~~ The revenues derived from the tax levied by § 26-60-105(a)
 14 shall be deposited by the Director of the Department of Finance and
 15 Administration in the State Treasury, and the Treasurer of State shall, after
 16 deducting three percent (3%) of the revenues for distribution to the
 17 Constitutional Officers Fund and the State Central Services Fund to be used
 18 for the purposes as provided by law, distribute the remainder of the net
 19 amount of the revenues as follows:

20 ~~(1) Ten percent (10%) of the remainder shall be distributed as~~
 21 ~~special revenues, as follows:~~

22 ~~(A) The first sixty thousand dollars (\$60,000) of the~~
 23 ~~remainder during each fiscal year shall be credited to the County and Circuit~~
 24 ~~Clerks Continuing Education Fund, which is established in the State Treasury,~~
 25 ~~to be used for defraying the expenses of training seminars and other~~
 26 ~~educational projects benefiting county and circuit clerks in this state, as~~
 27 ~~provided by appropriations enacted by the General Assembly; and~~

28 ~~(B) The remainder of the ten percent (10%) of the~~
 29 ~~remainder available for distribution during each fiscal year shall be~~
 30 ~~credited as special revenues to the County Aid Fund, to be distributed in the~~
 31 ~~manner provided by law to the circuit clerk in the county in which the~~
 32 ~~property upon which the tax is paid is situated, to be paid over by the~~
 33 ~~circuit clerk to the county general fund;~~

34 ~~(2) Ninety percent (90%) of the remainder of the revenues shall~~
 35 ~~be distributed as follows:~~

36 ~~(A) The entire amount collected during each fiscal year~~

1 ~~until there has been collected an amount of such tax equaling the amount of~~
2 ~~tax collected under this chapter during fiscal year 1982-1983 shall be~~
3 ~~credited as general revenues to be allocated to the various funds~~
4 ~~participating in the distribution of general revenues in the amount of each~~
5 ~~such fund as provided by and to be used for the respective purposes set forth~~
6 ~~in the Revenue Stabilization Law, § 19-5-101 et seq.,; and~~

7 ~~(B)(i) After making the distribution of the revenues as~~
8 ~~provided in subdivision (b)(2)(A) of this section, the remainder available~~
9 ~~each fiscal year shall be credited as special revenues to the Administration~~
10 ~~of Justice Fund to be used for supplementing moneys in the Administration of~~
11 ~~Justice Fund for court reporter salaries and expenses in the event that the~~
12 ~~moneys available in the Court Reporters Fund are inadequate during any fiscal~~
13 ~~year to make the necessary payments for salary and related expenses of the~~
14 ~~various court reporters of the state.~~

15 ~~(ii) Any amount received over and above this amount~~
16 ~~shall be credited as special revenues to the County Aid Fund.~~

17 (1) For each fiscal year, the remainder of the net amount of the
18 revenues shall be credited as special revenues until there has been
19 concurrently distributed an amount of tax equaling the amount of tax
20 collected and distributed to the following funds under this section during
21 fiscal year 2004, except for the amount distributed under subdivision
22 (a)(1)(F) of this section, or so much tax collected as may be available to
23 distribute:

24 (A) The Natural and Cultural Resources Grants and Trust
25 Fund for the purposes as provided under § 15-12-103;

26 (B) The Parks and Tourism Fund for the purposes as set out
27 under § 15-12-103;

28 (C) The Natural and Cultural Resources Historic
29 Preservation Trust Fund for the purposes as provided under § 15-12-103;

30 (D) The State Administration of Justice Fund for the
31 purposes as provided under § 19-5-993;

32 (E) The County Aid Fund for the purposes as provided under
33 § 19-5-602; and

34 (F) An amount not to exceed ninety-thousand dollars
35 (\$90,000) to the County and Circuit Clerks Continuing Education Fund for the
36 purposes as provided under § 19-6-442; and

1 (2) After distribution of the special revenues under subdivision
 2 (a)(1) of this subsection, the remainder shall be distributed as follows:

3 (A) One-half (1/2) of the remainder shall be credited as
 4 special revenues to the County Aid Fund for the purposes as provided under §
 5 19-5-602; and

6 (B) One-half (1/2) of the remainder shall be credited as
 7 general revenues to be allocated to the various funds participating in the
 8 distribution of general revenues in the amount of each fund as provided under
 9 the Revenue Stabilization Law, § 19-5-101 et seq.

10
 11 SECTION 3. Arkansas Code § 15-12-103 concerning the disposition of
 12 revenues from the real property transfer tax into various funds is amended to
 13 read as follows:

14 15-12-103. Disposition of revenues - Grants.

15 ~~(a) All revenues derived from the additional tax levied by § 26-60-~~
 16 ~~105(b) shall be deposited by the Director of the Department of Finance and~~
 17 ~~Administration in the State Treasury as special revenues.~~

18 ~~(b) After deducting three percent (3%) of the revenues for~~
 19 ~~distribution to the Constitutional Officers Fund and the State Central~~
 20 ~~Services Fund to be used for the purposes as provided by law, the Treasurer~~
 21 ~~of State shall credit the net amount thereof as follows:~~

22 ~~(1)(A) Eighty percent (80%) of the net amount~~ (a)(1) The amount
 23 credited as special revenue under § 26-60-112 and distributed shall be
 24 ~~credited~~ shall ~~to~~ be preserved and managed by the Arkansas Natural and Cultural Resources
 25 Council for use in the acquisition, management, and stewardship of state-
 26 owned lands or the preservation of state-owned historic sites, buildings,
 27 structures, or objects which the council determines to be of value for
 28 recreation or conservation purposes, with the properties to be used,
 29 preserved, and conserved for the benefit of this and future generations.

30
 31 ~~(B)(2)~~ (2) It is not the intention of this chapter that the
 32 council shall itself manage, operate, or maintain any lands so acquired, but,
 33 rather, that it from time to time in its own discretion shall make grants to
 34 other agencies of the state authorized by law to acquire, manage, operate,
 35 and maintain the lands.

36 ~~(C)(3)~~ (3) The grants shall be made in such amounts, for such

1 purposes, and to such agencies as the council in its discretion shall select.
 2 ~~(D)~~(4) However, in choosing among competing purposes or
 3 expenditures, the council shall be guided by the principles set forth in the
 4 Arkansas Statewide Comprehensive Outdoor Recreation Plan as it may exist and
 5 be in force from time to time.

6 ~~(E)~~(5) In funding state park improvements, the council
 7 should initially emphasize the restoration or renovation of existing
 8 facilities and historic structures within the system.

9 ~~(F)~~(6) The council in its discretion shall have power
 10 either to allow moneys paid into the Natural and Cultural Resources Grants
 11 and Trust Fund to accumulate, with only the income thereon being spent, or to
 12 expend the whole or any part of the corpus or principal of the Natural and
 13 Cultural Resources Grants and Trust Fund.

14 ~~(G)~~(7) However, the council shall have power to do any and
 15 all things necessary to take advantage of federal or private funds donated or
 16 obtainable through the use of the Natural and Cultural Resources Grants and
 17 Trust Fund.

18 ~~(H)~~(8) Without limiting the generality of the foregoing
 19 provisions of this section, the council shall have power to set aside any
 20 portion of the Natural and Cultural Resources Grants and Trust Fund into a
 21 separate and segregated account, the corpus or principal of which shall be
 22 inviolate, and only the income of which may be expended, to the extent
 23 necessary to comply with any federal law, regulation, or other requirement in
 24 connection with federal matching or grant moneys.

25 ~~(I)~~(9) As used in this section, the term "stewardship"
 26 shall include moneys necessary for the maintenance, preservation, operation,
 27 improvement, and management of state-owned lands acquired for recreational or
 28 conservational purposes and shall include such other stewardship purposes as
 29 may be authorized by the council;

30 ~~(2) Ten percent (10%) of the net amount~~ (b) The amount credited
 31 as special revenue under § 26-60-112 and shall be distributed to the Parks
 32 and Tourism Fund, ~~to~~ shall be used by the Department of Parks and Tourism, on
 33 approval of the Parks, Recreation, and Tourism Grant Advisory Committee, for
 34 making grants for outdoor recreational purposes to cities and counties of
 35 this state in accordance with the plan, ~~and.~~

36 ~~(3) Ten percent (10%) of the net amount~~ (c) The amount credited

1 as special revenue under § 26-60-112 and distributed shall be credited to a
2 fund to be known as the "Natural and Cultural Resources Historic Preservation
3 Trust Fund", ~~to shall~~ be used by the council ~~for providing~~ to provide a
4 source of funds for the operation of the state historic preservation program
5 and the "Main Street" program.

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7 SECTION 4. Arkansas Code § 19-6-301(145) concerning the enumeration of
8 special revenues, is amended to read as follows:

9 (145) ~~Additional real estate transfer tax, § 26-60-105(b)~~ The
10 portion of real estate transfer taxes as provided in § 26-60-112;

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12 SECTION 5. EMERGENCY CLAUSE. It is found and determined by the
13 General Assembly of the State of Arkansas that the reallocation of the real
14 estate transfer tax is necessary to preserve the proper functioning of the
15 agencies that benefit from the funding; that the state fiscal year begins on
16 July 1, and it is necessary to effectuate this act to coincide with the state
17 fiscal year. Therefore, an emergency is declared to exist and this act being
18 necessary for the preservation of the public peace, health, and safety shall
19 become effective on July 1, 2007.

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