

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

As Engrossed: S3/1/07 S3/7/07

A Bill

SENATE BILL 373

5 By: Senators Brown, Steele, Madison, Wilkins, *Crumbly, Baker*
6 By: Representatives D. Johnson, Adcock, Webb, Allen, T. Baker, Chesterfield, Davis, J. Johnson,
7 Rainey, Overbey, *Dunn, Saunders, Wills, Blount, Cornwell, S. Dobbins, Harrelson, Hall, W. Lewellen,*
8 *Hardy*
9
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For An Act To Be Entitled

11 AN ACT TO AMEND VARIOUS STATUTES PERTAINING TO
12 TAX DELINQUENT PROPERTY; AND FOR OTHER PURPOSES.
13
14

Subtitle

15 AN ACT TO AMEND VARIOUS STATUTES
16 PERTAINING TO TAX DELINQUENT PROPERTY.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 *SECTION 1. Arkansas Code § 22-6-501(b)(1), concerning restrictive*
23 *covenants in a deed for the disposition of state lands to a state agency,*
24 *state institution, city, county, or school district, is amended to read as*
25 *follows:*

26 *(b)(1) The deed issued by the Commissioner of State Lands to a state*
27 *department or agency, state institution, city, county, or school district*
28 *~~shall~~ may contain restrictive covenants or reservations stating that should*
29 *the governmental unit no longer desire to use the land for the proposed use*
30 *stated in the application, said governmental unit shall submit a subsequent*
31 *letter of application to the Commissioner of State Lands to request change in*
32 *the use of the property, and the Commissioner of State Lands shall accept,*
33 *modify, or disallow the request.*
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35 *SECTION 2. Arkansas Code § 26-26-201(a)(1), concerning delinquent*
36 *assessments, is amended to read as follows:*



1 (a)(1)(A) There shall be a penalty ~~of ten percent (10%) and interest~~
2 as prescribed by § 26-37-302 of all taxes due on all persons and property
3 delinquent in assessment.

4 (B) Where the penalty ~~of ten percent (10%) of the amount~~
5 ~~of all taxes due~~ shall amount to less than one dollar (\$1.00), the penalty
6 shall be arbitrarily fixed at one dollar (\$1.00).

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8 *SECTION 3. Arkansas Code § 22-6-501, concerning transfers of tax-*
9 *forfeited land, is amended to add additional subsections to read as follows:*

10 (e)(1) Land donated by the Commissioner of State Lands under
11 this section may be used for any lawful purpose or transferred pursuant to
12 any lawful authority of the city or town.

13 (2) Owners of property donated to a city or town under this
14 section shall not have any right to return any of the appraised value of the
15 property.

16 (f) Prior to conveyance of property, the Commissioner of State Lands
17 may give consideration to the following issues:

18 (1) Whether the prospective purchaser has a pattern or practice
19 of not paying fines resulting from a citation for violation of state laws or
20 regulations or local codes and ordinances;

21 (2) Whether the prospective purchaser has a pattern or practice
22 of not timely paying property taxes; and

23 (3) Whether the prospective purchaser was the prior owner of
24 real property that was transferred to the Commissioner of State Lands as a
25 result of tax delinquency during the preceding three (3) years.

26
27 *SECTION 4. Arkansas Code § 26-37-203 is amended to read as follows:*

28 (a) If the tax-delinquent land is not redeemed within the thirty-day
29 period, the Commissioner of State Lands shall issue a limited warranty deed
30 to the land.

31 (b)(1) Except as provided in subdivisions (b)(2) and (3) of this
32 section, all actions to contest the validity of the conveyance shall be
33 brought within ~~two (2) years~~ one (1) year after the date of the conveyance or
34 thereafter be barred.

35 (2) A cause of action by a person suffering a mental incapacity,
36 a minor, or a person serving in the United States armed forces during time of

1 war during the two-year period shall be brought within two (2) years after
 2 the disability is removed, the minor reaches majority, or the person is
 3 released from active duty with the armed forces.

4 (3) *An action to challenge the conveyance to a purchaser of land*
 5 *that was sold at a negotiated sale under § 26-37-101 shall be brought within*
 6 *ninety (90) days after the date of the conveyance or thereafter be barred.*

7 (c) No deed issued after January 1, 1987, by the Commissioner of State
 8 Lands shall be void or voidable on the ground that the county did not
 9 strictly comply with the laws governing tax-delinquent land if prior to the
 10 issuance of the deed the Commissioner of State Lands complied with the laws
 11 governing the disposition of tax-delinquent land.

12 (d) Nothing in this section shall prevent any taxpayer from attacking
 13 a deed issued by the Commissioner of State Lands on the ground that taxes
 14 have actually been paid.

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 16 SECTION 5. Arkansas Code § 26-37-209 is amended to read as follows:

17 26-37-209. Compensation for improvements.

18 (a)(1) ~~Except as provided in subdivision (a)(2) of this section, no~~ No
 19 purchaser under this chapter of any land or town lot or city lot nor any
 20 person claiming under him or her shall be entitled to any compensation for
 21 any improvement that he or she shall make on the land or town lot or city lot
 22 within ~~two (2) years from and after the sale of the land or town lot or city~~
 23 ~~lot~~ the time frame established in § 26-37-203.

24 (2) No purchaser of land that was sold at a negotiated sale
 25 under § 26-37-101 shall be entitled to any compensation for any improvement
 26 that he or she makes to the land within ~~ninety (90) days after the date of the~~
 27 ~~sale~~ the time frame established in § 26-37-203.

28 (b)(1) ~~Except as provided in subdivision (b)(2) of this section for~~
 29 For an improvement made ~~after two (2) years from the date of sale~~ after the
 30 expiration of the time frame established in § 26-37-203, the purchaser under
 31 this chapter shall be allowed the full cash value of the improvement, and the
 32 allowance shall be a charge upon the land.

33 (2) For an improvement made after ~~ninety (90) days from the date~~
 34 ~~of sale~~ the expiration of the time frame established in § 26-37-203 to a
 35 subdivided lot that was purchased at a negotiated sale under § 26-37-202(b),
 36 the purchaser shall be allowed the full cash value of the improvement, and

1 the allowance shall be a charge upon the land.

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3 SECTION 6. Arkansas Code § 26-37-301(b), pertaining to tax foreclosure
4 sales, is amended to read as follows:

5 (b)(1) The notice to the owner or interested party shall also indicate
6 that the tax-delinquent land will be sold if not redeemed prior to the date
7 of sale.

8 (2) The notice shall also indicate the sale date, and that date
9 shall be no earlier than ~~two (2) years~~ one (1) year after the land is
10 certified to the Commissioner of State Lands.

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/s/ Brown

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