

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 H3/21/07

# 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  
10

## 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.  
17  
18  
19

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

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.*  
34

35 *SECTION 2. Arkansas Code § 22-6-501, concerning transfers of tax-*  
36 *forfeited land, is amended to add additional subsections to read as follows:*



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

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

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

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

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

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

17  
18           SECTION 3. Arkansas Code § 26-37-203 is amended to read as follows:

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

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

26           (2) A cause of action by a person suffering a mental incapacity,  
27 a minor, or a person serving in the United States armed forces during time of  
28 war during the two-year period shall be brought within two (2) years after  
29 the disability is removed, the minor reaches majority, or the person is  
30 released from active duty with the armed forces.

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

34           (c) No deed issued after January 1, 1987, by the Commissioner of State  
35 Lands shall be void or voidable on the ground that the county did not  
36 strictly comply with the laws governing tax-delinquent land if prior to the

1 issuance of the deed the Commissioner of State Lands complied with the laws  
2 governing the disposition of tax-delinquent land.

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

6  
7 SECTION 4. Arkansas Code § 26-37-209 is amended to read as follows:  
8 26-37-209. Compensation for improvements.

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

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

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

24 (2) For an improvement made ~~after ninety (90) days from the date~~  
25 ~~of sale~~ the expiration of the time frame established in § 26-37-203 to a  
26 subdivided lot that was purchased at a negotiated sale under § 26-37-202(b),  
27 the purchaser shall be allowed the full cash value of the improvement, and  
28 the allowance shall be a charge upon the land.

29  
30 SECTION 5. Arkansas Code § 26-37-301(b), pertaining to tax foreclosure  
31 sales, is amended to read as follows:

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

35 (2) The notice shall also indicate the sale date, and that date  
36 shall be no earlier than ~~two (2) years~~ one (1) year after the land is

1 certified to the Commissioner of State Lands.

2

3

*/s/ Brown*

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36