

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 87th General Assembly
3 Regular Session, 2009

A Bill

SENATE BILL 336

4
5 By: Senator Hendren
6
7

For An Act To Be Entitled

8
9 AN ACT TO REQUIRE MARK-TO-MARKET ACCOUNTING
10 PRINCIPLES APPLIED TO THE ASSESSMENT OF REAL
11 PROPERTY FOR PROPERTY TAX PURPOSES; AND FOR OTHER
12 PURPOSES.
13

Subtitle

14
15 TO REQUIRE MARK-TO-MARKET ACCOUNTING
16 PRINCIPLES APPLIED TO THE ASSESSMENT OF
17 REAL PROPERTY FOR PROPERTY TAX PURPOSES.
18
19

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

22 SECTION 1. Arkansas Code § 26-26-1202(a) and (b), concerning the
23 valuation procedures for property tax, are amended to read as follows:

24 (a)~~(1)~~ Each separate parcel of real property shall be valued ~~at its~~
25 ~~true market value in money pursuant to its mark-to-market accounting~~
26 valuation, excluding the value of crops growing thereon.

27 ~~(2) The price at which the real estate would sell at auction or~~
28 ~~at a forced sale shall not be taken as the criterion of the true value.~~

29 (b) Each tract of land belonging to the state or to any county, city,
30 town, or charitable institution, whether incorporated or unincorporated, and
31 saline, swamp, seminary, school, or mineral lands held under a lease
32 exceeding five (5) years and not exceeding ten (10) years shall be valued ~~at~~
33 ~~the price the assessor believes could be obtained at a private sale for the~~
34 leasehold estate pursuant to its mark-to-market accounting valuation.
35

36 SECTION 2. Arkansas Code § 26-26-1202(h), concerning the valuation



1 procedures for property tax, are amended to read as follows:

2 (h) Where the fee of the soil in any tract, parcel, or lot of land is
3 in any person, natural or artificial, and the right to any mineral therein is
4 in another, it shall be valued pursuant to its mark-to-market accounting
5 valuation and listed agreeably to the ownership, in separate entries, and
6 taxed to the parties owning it respectively.

7
8 SECTION 3. Arkansas Code § 26-26-1202, concerning the valuation
9 procedures for property tax, is amended to add an additional subsection to
10 read as follows:

11 (i) As used in this section, "mark-to-market accounting valuation"
12 means an accounting methodology of assigning a value based on the current
13 market price.