

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

As Engrossed: S2/6/19

A Bill

SENATE BILL 148

5 By: Senator Hester
6 By: Representative Pilkington
7

For An Act To Be Entitled

9 AN ACT TO MODIFY THE SMALL BUSINESS ENTITY TAX PASS
10 THROUGH ACT; TO PROVIDE FOR A TEMPORARY LIEN AT THE
11 TIME A CHARGING APPLICATION IS FILED; AND FOR OTHER
12 PURPOSES.
13
14

Subtitle

16 TO MODIFY THE SMALL BUSINESS ENTITY TAX
17 PASS THROUGH ACT; AND TO PROVIDE FOR A
18 TEMPORARY LIEN AT THE TIME A CHARGING
19 APPLICATION IS FILED.
20
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. Arkansas Code § 4-32-705 is amended to read as follows:
25 4-32-705. Rights of judgment creditor.

26 (a)(1) On application to a court of competent jurisdiction by any
27 judgment creditor of a member, the court may charge the member's limited
28 liability company interest with payment of the unsatisfied amount of judgment
29 with interest.

30 (2) To the extent so charged, the judgment creditor has only the
31 rights of an assignee of the member's limited liability company interest.

32 (3) This chapter does not deprive any member of the benefit of
33 any exemption laws applicable to his or her limited liability company
34 interest.

35 (b) Upon the filing of a charging application by a judgment creditor
36 of a member under subdivision (a)(1) of this section, a temporary lien is



1 created in favor of the judgment creditor against the member's membership
2 interest in the limited liability company interest until a ruling by the
3 court is entered on the record or the application is dismissed.

4
5
6 /s/Hester
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