

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4
5 By: Senator J. Hendren
6

A Bill

SENATE BILL 447

For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING PROPERTY TAX
9 RELIEF AND THE PROPERTY TAX RELIEF TRUST FUND; TO
10 INCREASE THE HOMESTEAD PROPERTY TAX CREDIT; TO
11 MAINTAIN FUNDING FOR CURRENT PROPERTY TAX RELIEF AND
12 BROADER-BASED TAX RELIEF; TO PROVIDE FOR THE USE OF
13 THE EXCESS FUNDS IN THE PROPERTY TAX RELIEF TRUST
14 FUND FOR ADDITIONAL PURPOSES; TO PROVIDE FOR
15 ADDITIONAL DISTRIBUTIONS FROM THE PROPERTY TAX RELIEF
16 TRUST FUND; TO DECLARE AN EMERGENCY; AND FOR OTHER
17 PURPOSES.

Subtitle

18
19
20
21 TO INCREASE THE HOMESTEAD PROPERTY TAX
22 CREDIT; TO MAINTAIN FUNDING FOR CURRENT
23 PROPERTY TAX RELIEF; TO PROVIDE FOR THE
24 USE OF THE EXCESS FUNDS IN THE PROPERTY
25 TAX RELIEF TRUST FUND; AND TO DECLARE AN
26 EMERGENCY.

27
28
29 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
30

31 SECTION 1. Arkansas Code § 26-26-310(b)(2)(C), concerning the Property
32 Tax Relief Trust Fund and the certification of the amount of property tax
33 reduction, is amended to read as follows:

34 (C)(i) On or before December 31 of each year, the Chief
35 Fiscal Officer of the State, in cooperation with the Legislative Council and
36 the Legislative Auditor, shall determine that portion of the balance



1 remaining in the Property Tax Relief Trust Fund that is in excess of the
2 required reimbursement to the counties and shall certify the excess to the
3 Treasurer of State.

4 (ii) Beginning December 31, 2005, and on December 31
5 of each subsequent year, the Treasurer of State shall:

6 (a) Calculate an amount equal to one percent
7 (1%) of the amount of the excess funds certified in subdivision (b)(2)(C)(i)
8 of this section;

9 (b) Calculate each county's proportionate
10 share of the amount calculated in subdivision (b)(2)(C)(ii)(a) of this
11 section based on the proportions used to reimburse the county for property
12 tax reductions under subsection (a) of this section; and

13 (c) Transfer the amount calculated under
14 subdivision (b)(2)(C)(ii)(b) of this section to the county treasurer for
15 allocation to the county assessor.

16 (iii)(a) These funds shall be used by the county
17 assessor for the costs of administering Arkansas Constitution, Amendment 79.

18 (b) These costs include personnel, equipment,
19 services, and postage used in the administration of Arkansas Constitution,
20 Amendment 79.

21 (D)(i)(a) For calendar year 2019, by the last business day
22 of each month following the effective date of this act, the Chief Fiscal
23 Officer of the State shall certify to the Treasurer of State the total amount
24 of moneys credited to the Property Tax Relief Trust Fund since the effective
25 date of this act.

26 (b) For calendar years after 2019, by the last
27 business day of each month, the Chief Fiscal Officer of the State shall
28 certify to the Treasurer of State the total amount of moneys credited to the
29 Property Tax Relief Trust Fund for the year.

30 (ii) The Chief Fiscal Officer of the State shall
31 determine annually the estimated amount needed to fund the distributions
32 required under subdivision (b)(2)(C) of this section for the next year.

33 (iii) When the amount certified by the Chief Fiscal
34 Officer of the State under subdivision (b)(2)(D)(i) of this section exceeds
35 the amount determined under subdivision (b)(2)(D)(ii) of this section for the
36 year:

1 (a)(1) By July 1, 2019, the Treasurer of State
2 shall make a one-time transfer of eight million two hundred forty-six
3 thousand five hundred seventy-three dollars (\$8,246,573) to the County Voting
4 System Grant Fund.

5 (2) The transfer required under
6 subdivision (b)(2)(D)(iii)(a)(1) of this section shall occur as soon as
7 practicable after July 1, 2019, if, by July 1, 2019, the amount certified by
8 the Chief Fiscal Officer of the State under subdivision (b)(2)(D)(i) of this
9 section does not exceed the amount determined under subdivision (b)(2)(D)(ii)
10 of this section by the full amount required for the transfer under
11 subdivision (b)(2)(D)(iii)(a)(1) of this section; and

12 (b) Except as provided in subdivision
13 (b)(2)(D)(iii)(a) of this section, the revenues credited to the Property Tax
14 Relief Trust Fund in excess of the amount determined under subdivision
15 (b)(2)(D)(ii) of this section shall be transferred from the Property Tax
16 Relief Trust Fund to the General Revenue Fund Account of the State
17 Apportionment Fund to be distributed as authorized under § 19-5-
18 202(b)(2)(B)(iii).

19 ~~(iv)~~(E) The remaining excess funds after the
20 transfers provided for in subdivisions (b)(2)(C) and (D) of this section may
21 be used in accordance with subsequent legislation to provide additional tax
22 relief or financial assistance to school districts that incur a reduction in
23 revenue as a direct result of Arkansas Constitution, Amendment 79.

24
25 SECTION 2. Arkansas Code § 26-26-1118(a)(1)(A), concerning the
26 homestead property tax credit and the limitation on the increase of a
27 property's assessed value for property tax purposes, is amended to read as
28 follows:

29 (a)(1)(A) There is established a homestead property tax credit for
30 each assessment year that reduces the amount of real property taxes assessed
31 on the homestead of each property owner by ~~three hundred fifty dollars (\$350)~~
32 three hundred seventy-five dollars (\$375).

33
34 SECTION 3. EFFECTIVE DATE. Section 2 of this act is effective for
35 assessment years beginning on or after January 1, 2019.

36

1 SECTION 4. EMERGENCY CLAUSE. It is found and determined by the
2 General Assembly of the State of Arkansas that the Property Tax Relief Trust
3 Fund has excess revenues that are not being used efficiently by the state;
4 that it would assist in the effective and efficient administration of
5 government to more fully utilize available state revenues for important
6 purposes and programs in the state; that it is in the best interest of the
7 state to use existing revenues in a fiscally responsible manner rather than
8 increasing the burden on Arkansas residents; and that this act is immediately
9 necessary because expanding the use of the state revenue in the Property Tax
10 Relief Trust Fund will allow the state to more effectively use existing state
11 revenue to address immediate concerns in the state. Therefore, an emergency
12 is declared to exist, and this act being immediately necessary for the
13 preservation of the public peace, health, and safety shall become effective
14 on:

15 (1) The date of its approval by the Governor;

16 (2) If the bill is neither approved nor vetoed by the Governor,
17 the expiration of the period of time during which the Governor may veto the
18 bill; or

19 (3) If the bill is vetoed by the Governor and the veto is
20 overridden, the date the last house overrides the veto.

21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36