

1 State of Arkansas  
2 93rd General Assembly  
3 Regular Session, 2021  
4  
5 By: Representative Jett  
6

# A Bill

HOUSE BILL 1043

## For An Act To Be Entitled

8 AN ACT TO AUTHORIZE THE WAIVER OF CERTAIN AD VALOREM  
9 TAXES ON UTILITIES AND CARRIERS; TO CREATE A STATUTE  
10 OF LIMITATIONS ON THE COLLECTION OF CERTAIN AD  
11 VALOREM TAXES ON UTILITIES AND CARRIERS; AND FOR  
12 OTHER PURPOSES.

## Subtitle

16 TO AUTHORIZE THE WAIVER OF CERTAIN AD  
17 VALOREM TAXES ON UTILITIES AND CARRIERS;  
18 AND TO CREATE A STATUTE OF LIMITATIONS ON  
19 THE COLLECTION OF CERTAIN AD VALOREM  
20 TAXES ON UTILITIES AND CARRIERS.

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

25 SECTION 1. Arkansas Code Title 26, Chapter 26, Subchapter 16, is  
26 amended to add additional sections to read as follows:

27 26-26-1617. Time limitation for collection.

28 (a)(1) Taxes and penalties certified to the Secretary of the  
29 Department of Finance and Administration under § 26-26-1614 shall be  
30 collected within ten (10) years from the date of certification to the  
31 secretary.

32 (2) Taxes and penalties that have not been collected within ten  
33 (10) years from the date of certification to the secretary are uncollectible.

34 (b) Taxes and penalties that become uncollectible under subsection (a)  
35 of this section shall be waived by the secretary.



26-26-1618. Settlement or compromise of liability.

(a) The Secretary of the Department of Finance and Administration may waive any tax certified under § 26-26-1614, or any portion of a tax certified under § 26-26-1614, in the following circumstances:

(1) There is controversy over the amount of tax due;

(2) The inability of the taxpayer to pay the tax results from the insolvency of the taxpayer; or

(3) The taxpayer provides proof of the filing of a bankruptcy or other liquidation, reorganization, or dissolution proceeding by the taxpayer or proof that the tax was discharged in a bankruptcy or other liquidation, reorganization, or dissolution proceeding.

(b) The secretary may waive any penalty assessed under this chapter on a tax certified to the secretary under § 26-26-1614, or any portion of a penalty assessed under this chapter, in the following circumstances:

(1) Upon receipt of a satisfactory explanation of the taxpayer's failure to pay the tax when it came due;

(2) Upon proof that the failure to pay the tax when it came due resulted from mistake by the taxpayer of either the law or the facts subjecting the taxpayer to the tax;

(3) Upon proof of insolvency of the taxpayer; or

(4) Upon proof of the filing of a bankruptcy or other liquidation, reorganization, or dissolution proceeding by the taxpayer or proof that the penalty was discharged in a bankruptcy or other liquidation, reorganization, or dissolution proceeding.