

1 State of Arkansas  
2 93rd General Assembly  
3 Regular Session, 2021  
4

As Engrossed: S4/20/21

# A Bill

HOUSE BILL 1698

5 By: Representative Jett  
6 By: Senator J. Dismang  
7

## For An Act To Be Entitled

9 AN ACT CONCERNING THE COLLECTION OF DELINQUENT TAXES;  
10 TO AMEND THE LAW CONCERNING DELINQUENT PROPERTY  
11 TAXES; TO ALLOW DELINQUENT PROPERTY TAXES TO BE SET  
12 OFF AGAINST STATE TAX REFUNDS IN WHOLE OR IN PART; TO  
13 AMEND THE LAW CONCERNING THE FEE CHARGED FOR  
14 COLLECTION ASSISTANCE IN SETTING OFF CERTAIN DEBTS  
15 AGAINST STATE TAX REFUNDS; AND FOR OTHER PURPOSES.  
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## Subtitle

19 TO ALLOW DELINQUENT PROPERTY TAXES TO BE  
20 SET OFF AGAINST STATE TAX REFUNDS IN  
21 WHOLE OR IN PART; AND TO AMEND THE LAW  
22 CONCERNING THE FEE CHARGED FOR SETTING  
23 OFF DEBTS AGAINST STATE TAX REFUNDS.  
24  
25

26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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28 SECTION 1. Arkansas Code § 26-36-201, concerning the dates property  
29 taxes are due and payable, is amended to add an additional subsection to read  
30 as follows:

31 (f)(1) Delinquent personal property taxes and any related penalties  
32 under this subchapter are subject to setoff against a taxpayer's state tax  
33 refund under § 26-36-301 et seq.

34 (2) Proceeds collected by the Department of Finance and  
35 Administration under § 26-36-301 et seq. to set off debts owed to an Arkansas  
36 county for delinquent personal property taxes and any related penalties under



1 this subchapter shall be credited to the benefit of the delinquent taxpayer  
2 even if the amount collected is less than the full amount of delinquent  
3 personal property tax owed by the taxpayer.

4  
5 SECTION 2. Arkansas Code § 26-36-202 is repealed.

6 ~~26-36-202. Payment of delinquent taxes.~~

7 ~~(a) No taxes returned delinquent shall be paid into the State Treasury~~  
8 ~~except by the county collector.~~

9 ~~(b) It shall be the duty of the county clerk to add a penalty of ten~~  
10 ~~percent (10%) upon all taxes returned delinquent, which shall be collected in~~  
11 ~~the manner provided for the collection of delinquent taxes.~~

12  
13 SECTION 3. Arkansas Code § 26-36-316(b)(1), concerning the disposition  
14 of proceeds collected for purposes of setting off a debt owed to a claimant  
15 agency against a taxpayer's state tax refund, is amended to read as follows:

16 (b)(1)~~(A)~~ For purposes of this subchapter, ~~except as provided under~~  
17 ~~subdivision (b)(1)(B) of this section,~~ five percent (5%) of the proceeds  
18 collected by the division through setoff shall represent the division's cost  
19 of effecting setoff, and these costs shall be charged to the respective  
20 claimant agency as a collection assistance fee.

21 ~~(B) If the claimant agency is a circuit court, county~~  
22 ~~court, district court, or city court, or a housing authority created under §~~  
23 ~~14-169-101 et seq., ten percent (10%) of the proceeds collected by the~~  
24 ~~division through setoff shall represent the division's cost of effecting~~  
25 ~~setoff and shall be charged to the respective circuit court, county court,~~  
26 ~~district court, or city court, or housing authority as a collection~~  
27 ~~assistance fee.~~

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29 /s/Jett