

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

A Bill

HOUSE BILL 1864

For An Act To Be Entitled

8 AN ACT TO CREATE THE AUTOMATIC TAXPAYER REFUND TRUST
9 FUND AND PROVIDE FOR ITS FUNDING; TO SET THE
10 CONDITIONS UNDER WHICH TAXPAYERS SHALL RECEIVE
11 AUTOMATIC REFUNDS; AND FOR OTHER PURPOSES.

Subtitle

15 TO CREATE THE AUTOMATIC TAXPAYER REFUND
16 TRUST FUND AND PROVIDE FOR ITS FUNDING;
17 AND TO SET THE CONDITIONS UNDER WHICH
18 TAXPAYERS SHALL RECEIVE AUTOMATIC
19 REFUNDS.

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

24 SECTION 1. Arkansas Code § 19-5-406 is amended to read as follows:
25 19-5-406. Transfer of remaining revenues.

26 (a) After making the maximum annual allocation as provided for in § 19-
27 5-402:

28 (1) Seventy-five percent (75%) of the remaining general revenues
29 available for distribution during each fiscal year shall be transferred on
30 the last day of business in each calendar month to the General Revenue
31 Allotment Reserve Fund, after meeting the requirements of subsection (b) of
32 this section, there to be used for the respective purposes as provided by
33 law; and

34 (2) Twenty-five percent (25%) of the remaining general revenues
35 available for distribution during each fiscal year shall be transferred on
36 the last day of business in each calendar month to the Arkansas Highway



1 Transfer Fund.

2 (b) As of June 30, 2023, and continuing each subsequent fiscal
 3 year, any amount in excess of one hundred million dollars (\$100,000,000) of
 4 the total amount transferred in a fiscal year under subdivision (a)(1) of
 5 this section shall be transferred to the Automatic Taxpayer Refund Trust Fund
 6 as soon as is practicable to be distributed as provided under § 19-5-1155(c).

7
 8 SECTION 2. Arkansas Code Title 19, Chapter 5, Subchapter 11, is
 9 amended to add an additional section to read as follows:

10 19-5-1155. Automatic Taxpayer Refund Trust Fund.

11 (a) There is created on the books of the Treasurer of State, the
 12 Auditor of State, and the Chief Fiscal Officer of the State a trust fund to
 13 be known as the "Automatic Taxpayer Refund Trust Fund".

14 (b) The fund shall consist of:

15 (1) Revenues as stated in § 19-5-406(b); and

16 (2) Any other moneys authorized or provided by law.

17 (c) The moneys in the fund shall be used to distribute refunds as
 18 calculated under subsection (d) of this section to taxpayers who:

19 (1) Have filed a resident individual income tax return for the
 20 most recent two (2) tax years; and

21 (2) Have paid tax to the state during the previous taxable year.

22 (d) If the Chief Fiscal Officer of the State determines that the
 23 balance in the fund exceeds one hundred million dollars (\$100,000,000), then
 24 a refund of all the moneys in the fund shall be made to taxpayers who meet
 25 the qualifications stated under subsection (c) of this section in an amount
 26 equal to each taxpayer's proportionate share of the total income tax
 27 liability paid by all qualifying taxpayers in the preceding year as
 28 determined by the Department of Finance and Administration.