

Stricken language would be deleted from and underlined language would be added to present law.  
Act 808 of the Regular Session

State of Arkansas  
92nd General Assembly  
Regular Session, 2019

As Engrossed: S3/7/19 H3/27/19  
**A Bill**

SENATE BILL 447

By: Senator J. Hendren  
By: Representatives L. Fite, Jett

**For An Act To Be Entitled**

AN ACT TO AMEND THE LAW CONCERNING PROPERTY TAX RELIEF AND THE PROPERTY TAX RELIEF TRUST FUND; TO INCREASE THE HOMESTEAD PROPERTY TAX CREDIT; TO MAINTAIN FUNDING FOR CURRENT PROPERTY TAX RELIEF AND BROADER-BASED TAX RELIEF; TO PROVIDE FOR THE USE OF THE EXCESS FUNDS IN THE PROPERTY TAX RELIEF TRUST FUND FOR ADDITIONAL PURPOSES; TO PROVIDE FOR ADDITIONAL DISTRIBUTIONS FROM THE PROPERTY TAX RELIEF TRUST FUND; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

**Subtitle**

TO INCREASE THE HOMESTEAD PROPERTY TAX CREDIT; TO MAINTAIN FUNDING FOR CURRENT PROPERTY TAX RELIEF; TO PROVIDE FOR THE USE OF THE EXCESS FUNDS IN THE PROPERTY TAX RELIEF TRUST FUND; AND TO DECLARE AN EMERGENCY.

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

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

(C)(i) On or before December 31 of each year, the Chief Fiscal Officer of the State, in cooperation with the Legislative Council and



the Legislative Auditor, shall determine that portion of the balance remaining in the Property Tax Relief Trust Fund that is in excess of the required reimbursement to the counties and shall certify the excess to the Treasurer of State.

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

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

~~(b) Calculate each county's proportionate share of the amount calculated in subdivision (b)(2)(G)(ii)(a) of this section one million dollars (\$1,000,000) based on the proportions used to reimburse the county for property tax reductions under subsection (a) of this section; and~~

~~(e)(b) Transfer the amount calculated under subdivision ~~(b)(2)(G)(ii)(b)~~ (b)(2)(C)(ii)(a) of this section to the county treasurer for allocation to the county assessor for use by the county assessor for the costs of administering Arkansas Constitution, Amendment 79, including without limitation costs for personnel, equipment, services, and postage used in the administration of Arkansas Constitution, Amendment 79;~~

~~(c) Distribute two million dollars (\$2,000,000) from the Property Tax Relief Trust Fund to the counties in the state using the formula stated in § 19-5-602(c)(1); and~~

~~(d) Distribute two million dollars (\$2,000,000) from the Property Tax Relief Trust Fund to the municipalities in the state using the formula stated in § 19-5-601(c).~~

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

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

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

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

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

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

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

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

(b) Except as provided in subdivision (b)(2)(D)(iii)(a) of this section, the revenues credited to the Property Tax Relief Trust Fund in excess of the amount determined under subdivision (b)(2)(D)(ii) of this section shall be transferred from the Property Tax Relief Trust Fund to the Long Term Reserve Fund.

~~*(iv) The remaining excess funds may be used in accordance with subsequent legislation to provide additional tax relief or financial assistance to school districts that incur a reduction in revenue as a direct result of Arkansas Constitution, Amendment 79.*~~

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

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

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

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

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

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

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

*/s/J. Hendren*

**APPROVED: 4/9/19**