

Stricken language would be deleted from and underlined language would be added to present law.
Act 880 of the Regular Session

State of Arkansas
95th General Assembly
Regular Session, 2025

As Engrossed: H4/2/25

A Bill

HOUSE BILL 1809

By: Representative Warren

By: Senator M. McKee

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE PROPERTY TAX EXEMPTION FOR DISABLED VETERANS AND SURVIVING SPOUSES AND MINOR DEPENDENT CHILDREN OF DISABLED VETERANS; TO ALLOW FOR PROPERTY OWNED BY A TRUST OR A LIMITED LIABILITY COMPANY TO QUALIFY AS A HOMESTEAD FOR PURPOSES OF THE PROPERTY TAX EXEMPTION FOR DISABLED VETERANS AND SURVIVING SPOUSES AND MINOR DEPENDENT CHILDREN OF DISABLED VETERANS IN CERTAIN CIRCUMSTANCES; AND FOR OTHER PURPOSES.

Subtitle

TO ALLOW FOR PROPERTY OWNED BY A TRUST OR A LIMITED LIABILITY COMPANY TO QUALIFY AS A HOMESTEAD FOR PURPOSES OF THE PROPERTY TAX EXEMPTION FOR DISABLED VETERANS IN CERTAIN CIRCUMSTANCES.

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

SECTION 1. Arkansas Code § 26-3-306(a)(2), concerning the property tax exemption for disabled veterans and the surviving spouses and minor dependent children of disabled veterans, is amended to read as follows:

(2) As used in this section:

(A) (i) “Homestead” means the:

~~(i)~~ (a) Dwelling that a disabled veteran, surviving spouse of a disabled veteran, or minor dependent child of a disabled veteran occupies as his or her principal place of residence; and



~~(ii)(b)~~ Up to forty (40) acres of real property contiguous to the dwelling under subdivision ~~(a)(2)(A)(i)~~ (a)(2)(A)(i)(a) of this section if the contiguous property is not being used for a commercial purpose.

(ii) "Homestead" includes a dwelling and real property contiguous to the dwelling that:

(a) Meets the requirements of subdivision (a)(2)(A)(i) of this section; and

(b) Is owned by:

(1) A revocable trust formed by the disabled veteran who uses the dwelling as his or her principal place of residence;

(2) An irrevocable trust of which the disabled veteran who uses the dwelling as his or her principal place of residence is a beneficiary; or

(3) A limited liability company, the sole members of which are the disabled veteran who uses the dwelling as his or her principal place of residence or the disabled veteran who uses the dwelling as his or her principal place of residence and his or her spouse;
and

(B) "Personal property" means only those items of tangible personal property ~~used~~ that are:

(i) Used for other than a commercial or business purpose; and

(ii) Registered in the name of the disabled veteran.

SECTION 2. Arkansas Code § 26-3-306(b), concerning the property tax exemption for disabled veterans and the surviving spouses and minor dependent children of disabled veterans, is amended to add an additional subdivision to read as follows:

(3) A disabled veteran eligible for the exemption provided in this section and desiring to claim an exemption with respect to property described under:

(A) Subdivision (a)(2)(A)(ii)(b)(2) of this section shall furnish to the county collector a signed, notarized, and file-marked copy of the irrevocable trust; or

(B) Subdivision (a)(2)(A)(ii)(b)(3) of this section shall furnish to the county collector the proof of eligibility required under § 26-26-1118(b)(2)(A)(ii).

SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective for assessment years beginning on or after January 1, 2026.

/s/Warren

APPROVED: 4/17/25