

**SUMMARY
OF ACTION ON**

**GENERAL and FISCAL
LEGISLATION**

**BY THE
82nd GENERAL ASSEMBLY
OF THE STATE OF ARKANSAS
First and Second Extraordinary Sessions**

2000

April 3 - 7, 2000 *TOBACCO*

December 13 - 15, 2000 *SALES TAX
&
Academic Challenge*



Bureau of Legislative Research

December 2000

STATE OF ARKANSAS
EXECUTIVE DEPARTMENT

PROCLAMATION

TO ALL TO WHOM THESE PRESENTS SHALL COME - GREETINGS:

WHEREAS, an extraordinary occasion has arisen making it necessary to convene the 82nd General Assembly into extraordinary session; and

WHEREAS, there is an immediate and pressing need to repeal the tax credit of three-hundred dollars as well as the one-half cent sales and use tax enacted by Arkansas Code Annotated § 19-5-1103; and

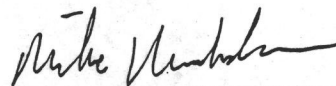
WHEREAS, there is an immediate and pressing need to establish a three hundred dollar real property tax credit in accordance with the will of the people in enacting Amendment 79 to the Arkansas Constitution; and to increase the sales and use tax by one-half of one percent; and

WHEREAS, there is an immediate and pressing need to make an appropriation to ensure the continued funding for Governor's Scholars Awards Program and Academic Challenge Scholarship program;

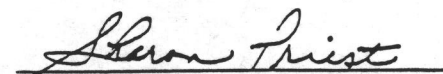
NOW, THEREFORE, I, Mike Huckabee, Governor of the State of Arkansas, by virtue of the power and authority vested in me by the Constitution of this State, Article VI, Section 19, do hereby call an Extraordinary Session of the General Assembly to convene at the seat of government in the State Capitol on December 13, 2000 at 11:00 a.m., and I do hereby specify that the General Assembly is convened to consider, and, if so advised, enact laws for the following purposes:

1. To appropriate funds to pay the expenses and per diem of this Extraordinary Session of the General Assembly for the Senate, the House of Representatives, and the Office of the Governor.
2. To consider a resolution for the purpose of calling a joint session of the House and Senate on the opening day of the extraordinary session and for the purpose of hearing an address by the Honorable Mike Huckabee, Governor of the State of Arkansas, at that time.
3. To repeal the tax credit of three-hundred dollars as well as the one-half cent sales and use tax enacted by Arkansas Code Annotated § 19-5-1103; to establish a three hundred dollar (\$300) tax credit in accordance with Amendment 79 of the Arkansas Constitution; and to increase the sales and use tax by ½ (one half) of 1% (one percent) in accordance with Amendment 79 of the Arkansas Constitution.
4. To make an appropriation for the Governor's Scholars and Academic Challenge Scholarship programs for the Department of Higher Education which shall be supplemental and in addition to those funds appropriated by Act 1180 of 1999.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Arkansas to be affixed at the State Capitol in Little Rock on this ~~12th~~ day of December in the year of our Lord 2000.



Mike Huckabee, Governor


Sharon Priest, Secretary of State

Stricken language would be deleted from and underlined language would be added to present law.

Call Item 3

1 State of Arkansas
2 82nd General Assembly
3 Second Extraordinary Session, 2000

A Bill

HOUSE BILL 1002

ACT 1 of 2000

5 By: Representatives Courtway, R. Smith

6 By: Senators Bisbee, Riggs

For An Act To Be Entitled

AN ACT TO PROVIDE A THREE HUNDRED DOLLAR REAL PROPERTY
TAX CREDIT IN ACCORDANCE WITH AMENDMENT 79 OF THE
ARKANSAS CONSTITUTION; TO INCREASE THE SALES AND USE
TAX BY ONE-HALF OF ONE PERCENT; AND FOR OTHER
PURPOSES.

Subtitle

PROVIDES A \$300 REAL PROPERTY TAX
CREDIT; INCREASES SALES AND USE TAX BY
ONE-HALF OF ONE PERCENT.

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

SECTION 1. Arkansas Code 19-5-1103 is repealed.

~~19-5-1103. Property Tax Relief Trust Fund. [Effective January 1, 2001, if
the following contingencies are met: (a) The General Assembly refers a
constitutional amendment to be approved during the 2000 general election; (b)
The amendment provides for a limitation on the increase in the assessed value
of real property after a county wide reappraisal; and (c) The amendment is
approved.]~~

~~(a) There is hereby created on the books of the Treasurer of State, the
Auditor of State, and the Chief Fiscal Officer of the State a special revenue
fund to be known as the Property Tax Relief Trust Fund.~~

~~(b) The fund shall consist of such revenues as generated by §§ 26-52-
302(c) and 26-53-107(c) and shall be used for such purposes as set out herein.~~

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1 SECTION 2. (a) There is hereby created on the books of the Treasurer of
2 State, the Auditor of State, and the Chief Fiscal Officer of the State a
3 special revenue fund to be known as the Property Tax Relief Trust Fund.

4 (b) The fund shall consist of such revenues as generated by Arkansas
5 Code 26-52-302(c) and 26-53-107(c) and shall be used for such purposes as set
6 out herein.

7
8 SECTION 3. Arkansas Code 26-26-309 is repealed.

9 ~~26-26-309. Certification of amount of property tax reduction. [Effective~~
10 ~~January 1, 2001, if the following conditions occur: (1) The General Assembly~~
11 ~~refers a constitutional amendment to be approved during the 2000 general~~
12 ~~election providing for a limitation on the increase in the assessed value of~~
13 ~~real property after a county wide reappraisal; and (2) That constitutional~~
14 ~~amendment is approved.]~~

15 (a)(1) ~~On or before March 31, 2001, and each March 31 thereafter, the~~
16 ~~county collector of each county shall certify to the Chief Fiscal Officer of~~
17 ~~the State the amount of the real property tax reduction provided in § 26-26-~~
18 ~~1117.~~

19 (2)(A) ~~After receipt of the certification from the county collectors,~~
20 ~~the Chief Fiscal Officer of the State shall determine the proportionate share~~
21 ~~of the total statewide reduction attributable to each county.~~

22 (B) ~~At the end of each month, the Chief Fiscal Officer of the~~
23 ~~State shall determine the balance in the Property Tax Relief Trust Fund and~~
24 ~~certify it to the Treasurer of State, who shall make distributions from the~~
25 ~~fund to each county treasurer in accordance with the county's proportionate~~
26 ~~share of the total statewide property tax reduction for that calendar year~~
27 ~~resulting from the provisions of § 26-26-1117.~~

28 (3)(A) ~~Funds so received by the county treasurers shall be allocated and~~
29 ~~distributed to the various taxing units within the county which levy ad valorem~~
30 ~~taxes.~~

31 (B) ~~Funds so received by the various taxing units shall be used~~
32 ~~for the same purposes and in the same proportions as otherwise provided by law.~~

33 (b)(1) ~~Reimbursements to each county shall continue on a monthly basis~~
34 ~~from the Property Tax Relief Trust Fund until the full amount certified by the~~
35 ~~county collectors has been paid.~~

36 (2)(A) ~~In no event shall the amount distributed to a county during~~

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1 a calendar year from the Property Tax Relief Trust Fund exceed the amount
2 certified by the county collector as the property tax reduction for that
3 calendar year resulting from § 26-26-1117.

4 ~~(B) Commencing December 31, 2002, and each December 31 thereafter,~~
5 ~~the Chief Fiscal Officer of the State, in cooperation with the Legislative~~
6 ~~Council and the Legislative Auditor, shall determine that portion of the~~
7 ~~balance remaining that is in excess of the required reimbursement to the~~
8 ~~counties and shall certify the same to the Treasurer of State, who shall~~
9 ~~transfer such amount from the Property Tax Relief Trust Fund to the general~~
10 ~~revenue fund of the State Apportionment Fund.~~

11 ~~(3)(A) The Chief Fiscal Officer of the State, the Legislative~~
12 ~~Auditor, or their designees shall be entitled to audit the books and records of~~
13 ~~the county assessor, county collector, or any other party as needed to ensure~~
14 ~~that the amount of the property tax reduction certified by the county collector~~
15 ~~is accurate.~~

16 ~~(B) The Chief Fiscal Officer of the State shall have the authority~~
17 ~~to adjust the amount certified by the county collector if it is discovered that~~
18 ~~the certified amount is incorrect.~~

19
20 SECTION 4. Arkansas Code Title 26, Chapter 26, Subchapter 3 is amended
21 to add an additional section to read as follows:

22 26-26-310. Certification of amount of property tax reduction.

23 (a)(1) On or before March 31, 2001, and each March 31 thereafter, the
24 county collector of each county shall certify to the Chief Fiscal Officer of
25 the State the amount of the real property tax reduction provided in § 26-26-
26 1118.

27 (2)(A) After receipt of the certification from the county
28 collectors, the Chief Fiscal Officer of the State shall determine the
29 proportionate share of the total statewide reduction attributable to each
30 county.

31 (B) At the end of each month, the Chief Fiscal Officer of
32 the State shall determine the balance in the Property Tax Relief Trust Fund
33 and certify it to the Treasurer of State, who shall make distributions from the
34 fund to each county treasurer in accordance with the county's proportionate
35 share of the total statewide property tax reduction for that calendar year
36 resulting from the provisions of § 26-26-1118.

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ROBERT W. JOHNSON
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1 (3)(A) Funds so received by the county treasurers shall be
2 allocated and distributed to the various taxing units within the county which
3 levy ad valorem taxes.

4 (B) Funds so received by the various taxing units shall be
5 used for the same purposes and in the same proportions as otherwise provided by
6 law.

7 (b)(1) Reimbursements to each county shall continue on a monthly basis
8 from the Property Tax Relief Trust Fund until the full amount certified by the
9 county collectors has been paid.

10 (2)(A) In no event shall the amount distributed to a county during
11 a calendar year from the Property Tax Relief Trust Fund exceed the amount
12 certified by the county collector as the property tax reduction for that
13 calendar year resulting from § 26-26-1118.

14 (B) Commencing December 31, 2002, and each December 31
15 thereafter, the Chief Fiscal Officer of the State, in cooperation with the
16 Legislative Council and the Legislative Auditor, shall determine that portion
17 of the balance remaining that is in excess of the required reimbursement to the
18 counties and shall certify the same to the Treasurer of State. Such excess
19 funds may be used in accordance with subsequent legislation to provide
20 additional tax relief, or financial assistance to school districts that incur a
21 reduction in revenue as a direct result of Amendment 79.

22 (3)(A) The Chief Fiscal Officer of the State, the Legislative
23 Auditor, or their designees shall be entitled to audit the books and records of
24 the county assessor, county collector, or any other party as needed to ensure
25 that the amount of the property tax reduction certified by the county collector
26 is accurate.

27 (B) The Chief Fiscal Officer of the State shall have the
28 authority to adjust the amount certified by the county collector if it is
29 discovered that the certified amount is incorrect.

30
31 SECTION 5. Arkansas Code 26-26-1117 is repealed.

32 ~~26-26-1117. Limitation on increase of property's assessed value.~~

33 ~~Effective January 1, 2001, if the following contingencies are met: (1) The~~
34 ~~General Assembly refers a constitutional amendment to be approved during the~~
35 ~~2000 general election providing for a limitation on the increase in the~~
36 ~~assessed value of real property after a county wide reappraisal; and (2) The~~

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1 constitutional amendment is approved.]

2 (a)(1) ~~Effective with the assessment year 2000 and thereafter, the~~
3 ~~amount of real property taxes assessed on the homestead of each taxpayer shall~~
4 ~~be reduced by three hundred dollars (\$300), provided that no assessment shall~~
5 ~~be reduced to less than zero (\$0.00).~~

6 (2) ~~Each property owner shall pay the reduced tax amount to the~~
7 ~~county.~~

8 (3) ~~The tax reduction adopted by this act shall be reflected on~~
9 ~~the tax bill sent to the property owner by the county collector.~~

10 (4) ~~The county and taxing units within the county shall be~~
11 ~~entitled to reimbursement of the reduction in accordance with § 26-26-309.~~

12 (b)(1) ~~The term "homestead", as used in this section, means the~~
13 ~~dwelling of a person which is used as his or her principal place of residence~~
14 ~~and land contiguous thereto, excluding all land valued as agricultural land,~~
15 ~~pasture land, or timber land, or a dwelling owned by a revocable trust and~~
16 ~~used as the principal place of residence of a person who formed the trust.~~

17 (2) ~~For purposes of this section, the total area of an urban~~
18 ~~homestead shall not exceed one fourth (1/4) of one (1) acre and the total area~~
19 ~~of a rural homestead shall not exceed eighty (80) acres.~~

20 (c) ~~Each county assessor shall be responsible for identifying those~~
21 ~~parcels of real property which are used as a homestead residence prior to~~
22 ~~issuing tax bills.~~

23
24 SECTION 6. Arkansas Code Title 26, Chapter 26, Subchapter 11 is amended
25 to add an additional section to read as follows:

26 26-26-1118. Limitation on increase of property's assessed value.

27 (a)(1) Effective with the assessment year 2000 and thereafter, the
28 amount of real property taxes assessed on the homestead of each taxpayer shall
29 be reduced by three hundred dollars (\$300), provided that no assessment shall
30 be reduced to less than zero (\$0.00).

31 (2) Each property owner shall pay the reduced tax amount to the
32 county.

33 (3) The tax reduction adopted by this act shall be reflected on
34 the tax bill sent to the property owner by the county collector.

35 (4) The county and taxing units within the county shall be
36 entitled to reimbursement of the reduction in accordance with § 26-26-310.

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1 (b) The term "homestead", as used in this section, means the dwelling of
2 a person which is used as his or her principal place of residence and land
3 contiguous thereto, excluding all land valued as agricultural land, pasture
4 land, or timber land. The term "homestead" shall also include a dwelling
5 owned by a revocable trust and used as the principal place of residence of a
6 person who formed the trust.

7 (c) Each county assessor shall be responsible for identifying those
8 parcels of real property which are used as a homestead residence prior to
9 issuing tax bills.

10
11 SECTION 7. Arkansas Code 26-51-601 - 26-51-608 are repealed.

12 ~~26-51-601. Legislative purpose.~~

13 ~~It is the purpose and the intent of this subchapter to prescribe a~~
14 ~~procedure whereby residents of this state who are sixty two (62) years of age~~
15 ~~or older, who own and pay ad valorem property taxes on their homes, may claim a~~
16 ~~refund from the state for a portion of the property taxes paid on their homes~~
17 ~~to lessen the burden placed upon these taxpayers by the ad valorem property~~
18 ~~taxes levied upon their homes.~~

19 ~~26-51-602. Definitions.~~

20 ~~As used in this subchapter, unless the context otherwise requires:-~~

21 ~~(1) "Claimant" means a person who has filed a claim for a refund under~~
22 ~~the provisions of this subchapter;~~

23 ~~(2)(A) "Homestead" means a dwelling owned by a claimant and used as his~~
24 ~~principal place of abode, including the parcel of land on which the dwelling~~
25 ~~is situated and all lands contiguous thereto or a dwelling owned by a~~
26 ~~revocable trust and used as the principal place of abode of persons who formed~~
27 ~~the trust and otherwise qualify as a claimant, including the parcel of land on~~
28 ~~which the dwelling is situated and all lands contiguous thereto.~~

29 ~~(B) However, no dwelling and the lands on which it is located~~
30 ~~shall be considered a homestead for the purposes of this subchapter unless the~~
31 ~~claimant has resided thereon for at least one (1) year immediately preceding~~
32 ~~the filing of a claim under this subchapter.~~

33 ~~(C) Further, a mobile home which is affixed to the realty and is~~
34 ~~taxed as real property may qualify as a homestead for the purposes of this~~
35 ~~subchapter;~~

36 ~~(3) "Household" means a claimant, or a claimant and an individual~~

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1 ~~related to the claimant as husband or wife;~~

2 ~~(4) "Household income" means the combined income received by members of~~
3 ~~a household during a calendar year;~~

4 ~~(5)(A) "Income" means gross income as defined in the Arkansas Income~~
5 ~~Tax Act, as amended, § 26-51-101 et seq., less deductions allowed under § 26-~~
6 ~~51-423(a)(1). It shall also include alimony, support money, cash public~~
7 ~~assistance and relief, but shall not include relief granted under this~~
8 ~~subsection; the gross amount of any pension or annuity, including all monetary~~
9 ~~retirement benefits from whatever source derived including but not limited to~~
10 ~~railroad retirement benefits, all payments received under the the federal~~
11 ~~social Security Act, and veterans' disability pensions; all dividnds and~~
12 ~~interest from whatever source derived not included in gross income, workers'~~
13 ~~compensation, and the gross amount of "loss of time insurance" but does not~~
14 ~~include gifts from nongovernmental sources, surplus food, or other relief in~~
15 ~~kind supplied by a governmental agency.~~

16 ~~(B) However, in the case of a claimant who is a World War I~~
17 ~~veteran of the United States armed services or the widow of such a veteran,~~
18 ~~the term "income" as used herein shall not include federal or state retirement~~
19 ~~or pension benefits or disability benefits, railroad retirement benefits, or~~
20 ~~social security benefits; and~~

21 ~~(6) "Property taxes" means all ad valorem taxes exclusive of special~~
22 ~~assessments and delinquent charges, levied and paid on a claimant's homestead~~
23 ~~during any particular year involved.~~

24 ~~26-51-603. Eligibility.~~

25 ~~(a) Any person sixty two (62) years of age or older or who is disabled,~~
26 ~~as defined in Title XIX of the federal Social Security Act in effect on~~
27 ~~January 1, 1999, for any period during the income year or who is a permanently~~
28 ~~and totally disabled veteran as defined by 38 CFR part IV, who has been a~~
29 ~~resident of this state for two (2) years or more, and who owns and has resided~~
30 ~~in a homestead in this state for a period of one (1) year or more, may,~~
31 ~~subject to the limitations and requirements prescribed in this subchapter,~~
32 ~~file a claim in the manner provided by this subchapter for a cash refund for~~
33 ~~ad valorem property taxes paid upon the homestead of the claimant during or~~
34 ~~after the third year of residency in this state, up to the limits prescribed~~
35 ~~in § 26-51-607.~~

36 ~~(b) However, no claim filed pursuant to this subchapter shall be~~

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1 allowed to any person who is a recipient of public funds for the payment of
2 taxes during the period for which the claim is filed.

3 (c) No claim shall be allowed under the provisions of this subchapter
4 if the Department of Finance and Administration determines that the claimant
5 received title to his homestead primarily for the purpose of taking advantage
6 of the benefits provided by this subchapter.

7 26-51-604. Claims Filing Contents.

8 (a) Any person desiring to file a claim for a cash refund under the
9 provisions of this subchapter shall file the claim with the Department of
10 Finance and Administration on forms prescribed by that department and shall
11 furnish such information to substantiate the claim as is provided in this
12 section, or as may be prescribed by regulation of the department.

13 (b) Claims under this subchapter shall be filed on or before August 15
14 of the year next following the year in which the homestead ad valorem property
15 taxes used as a basis for the claim were paid. However, if failure of the
16 claimant to file the claim within the time prescribed herein is due to serious
17 illness of the claimant or to some other matter beyond the control of the
18 claimant, the Director of the Department of Finance and Administration may
19 permit the filing of the claim at any time within four (4) months after the
20 deadline prescribed herein for filing the claim.

21 (c) Only one (1) member of a household may make a claim under the
22 provisions of this subchapter for any particular year.

23 (d) Every person filing a claim under the provisions of this subchapter
24 shall include in the claim information showing the names of members of the
25 claimant's household, the amount of the household income as defined in this
26 subchapter, the address or location of the homestead of the claimant, a
27 statement of the ad valorem taxes paid on the homestead during the income
28 year, and a statement that there are no delinquent property taxes on the
29 homestead, and such other information as may be required by the department to
30 assure that the claimant is eligible for, and entitled to, benefits under the
31 provisions of this subchapter.

32 (e) All claims filed under the provisions of this subchapter shall be
33 made upon forms prescribed and furnished by the department, and all forms
34 shall include appropriate instructions to claimants for filing a claim under
35 this subchapter.

36 26-51-605. Claims Effect of claimant's death.

Handwritten signature of Robert W. Johnson, President of Senate.

Handwritten signature of Robert W. Johnson, Speaker of the House.

1 ~~(a) The right to file a claim under the provisions of this subchapter~~
2 ~~shall be personal to the claimant or another member of the household and shall~~
3 ~~not survive the death of the members of the household.~~

4 ~~(b) If a claimant dies after having filed a timely claim, the amount~~
5 ~~thereof may be disbursed only to another member of the household as defined in~~
6 ~~§ 26-51-602.~~

7 ~~26-51-606. Claims Approval or denial.~~

8 ~~(a) The Department of Finance and Administration shall either approve~~
9 ~~or deny every claim filed hereunder, either in the amount claimed or in an~~
10 ~~amount determined by the department within ninety (90) days after the date the~~
11 ~~claims are filed.~~

12 ~~(b)(1) If the department denies the claim of any claimant or reduces~~
13 ~~the amount claimed, it shall so notify the claimant and the claimant may~~
14 ~~request a reconsideration of the claim by the department by filing a written~~
15 ~~request for reconsideration at any time within thirty (30) days after receipt~~
16 ~~of the notice of the decision of the department.~~

17 ~~(2) Upon receipt of the request for reconsideration of a claim,~~
18 ~~the department shall reconsider the claim and notify the claimant of its final~~
19 ~~decision within thirty (30) days after the receipt of the request.~~

20 ~~(c) If the claimant is dissatisfied with the final ruling of the~~
21 ~~department regarding his claim, he may appeal the decision to the Pulaski~~
22 ~~County Chancery Court or the chancery court of the county in which he resides~~
23 ~~in the manner and within the time prescribed for appeals from other~~
24 ~~administrative decisions of the Director of the Department of Finance and~~
25 ~~Administration.~~

26 ~~26-51-607. Allowable cash refund Maximum. [Effective until as provided~~
27 ~~by Acts 1997, No. 328, §§ 10 and 11.]~~

28 ~~(a) The amount of any cash refund allowed or made pursuant to the~~
29 ~~provision of this subchapter shall be determined as follows:~~

30 ~~(1) If the household income of the claimant's household was seven~~
31 ~~thousand dollars (\$7,000) or less during the income year, the claimant shall~~
32 ~~be entitled to file a claim for an amount equal to the ad valorem taxes paid~~
33 ~~on the claimant's homestead; however, the maximum refund any claimant may~~
34 ~~receive under this subdivision shall be two hundred fifty dollars (\$250);~~

35 ~~(2) If the household income of the claimant's household is more~~
36 ~~than seven thousand dollars (\$7,000) but not more than eight thousand dollars~~

PRESIDENT OF SENATE

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SPEAKER OF THE HOUSE

1 ~~(\$8,000) for the income year, the claimant shall be entitled to file a claim~~
2 ~~for an amount equal to the ad valorem taxes paid on the claimant's homestead;~~
3 ~~however, the maximum refund any claimant may receive under this subdivision~~
4 ~~shall be two hundred dollars (\$200);-~~

5 ~~(3) If the household income of the claimant's household is more~~
6 ~~than eight thousand dollars (\$8,000) but not more than nine thousand dollars~~
7 ~~(\$9,000) for the income year, the claimant shall be entitled to file a claim~~
8 ~~for an amount equal to the ad valorem taxes paid on the claimant's homestead;~~
9 ~~however, the maximum refund any claimant may receive under this subdivision~~
10 ~~shall be one hundred fifty dollars (\$150);-~~

11 ~~(4) If the household income of the claimant's household is more~~
12 ~~than nine thousand dollars (\$9,000) but not more than ten thousand dollars~~
13 ~~(\$10,000) for the income year, the claimant shall be entitled to file a claim~~
14 ~~for an amount equal to the ad valorem taxes paid on the claimant's homestead;~~
15 ~~however, the maximum refund any claimant may receive under this subdivision~~
16 ~~shall be one hundred dollars (\$ 100);-~~

17 ~~(5) If the household income of the claimant's household is more~~
18 ~~than ten thousand dollars (\$10,000) but not more than eleven thousand dollars~~
19 ~~(\$11,000) for the income year, the claimant shall be entitled to file a claim~~
20 ~~for an amount equal to the ad valorem taxes paid on the claimant's homestead;~~
21 ~~however, the maximum refund any claimant may receive under this subdivision~~
22 ~~shall be seventy five dollars (\$75.00);-~~

23 ~~(6) If the household income of the claimant's household is more~~
24 ~~than eleven thousand dollars (\$11,000) but not more than fifteen thousand~~
25 ~~dollars (\$15,000) for the income year, the claimant shall be entitled to file~~
26 ~~a claim for an amount equal to the ad valorem taxes paid on the claimant's~~
27 ~~homestead; however, the maximum refund any claimant may receive under this~~
28 ~~subdivision shall be fifty dollars (\$50.00).-~~

29 ~~(b) The refund shall be paid to the claimant as a cash refund.~~
30 ~~However, no interest shall be allowed on any payment made to a claimant under~~
31 ~~the provisions of this subchapter.-~~

32 ~~(c) If a claimant or another member of the household has any~~
33 ~~outstanding tax liability to the State of Arkansas, the amount of any claim~~
34 ~~otherwise payable under this subchapter, or such portion thereof as is~~
35 ~~necessary, shall be applied to the payment of the outstanding tax liability.-~~

36 ~~26-51-607. Allowable cash refund Maximum. [Effective as provided by~~

President of Senate
[Signature]

Speaker of the House
[Signature]

1 Acts 1997, No. 328, §§ 10 and 11.]

2 (a) ~~{Effective for claims filed for refunds of property taxes paid~~
3 ~~during calendar year 2000 and during subsequent years.}~~ The amount of any cash
4 ~~refund allowed or made pursuant to the provisions of this subchapter shall be~~
5 ~~determined as follows:-~~

6 (1) ~~If the household income of the claimant's household was ten~~
7 ~~thousand dollars (\$10,000) or less during the income year, the claimant shall~~
8 ~~be entitled to file a claim for an amount equal to the ad valorem taxes paid~~
9 ~~on the claimant's homestead; however, the maximum refund any claimant may~~
10 ~~receive under this subdivision shall be three hundred twenty five dollars~~
11 ~~(\$325);-~~

12 (2) ~~If the household income of the claimant's household is more~~
13 ~~than ten thousand dollars (\$10,000) but not more than fifteen thousand dollars~~
14 ~~(\$15,000) for the income year, the claimant shall be entitled to file a claim~~
15 ~~for an amount equal to the ad valorem taxes paid on the claimant's homestead;~~
16 ~~however, the maximum refund any claimant may receive under this subdivision~~
17 ~~shall be two hundred twenty five dollars (\$225);-~~

18 (3) ~~If the household income of the claimant's household is more~~
19 ~~than fifteen thousand dollars (\$15,000) but not more than twenty thousand~~
20 ~~dollars (\$20,000) for the income year, the claimant shall be entitled to file~~
21 ~~a claim for an amount equal to the ad valorem taxes paid on the claimant's~~
22 ~~homestead; however, the maximum refund any claimant may receive under this~~
23 ~~subdivision shall be one hundred seventy five dollars (\$175);-~~

24 (4) ~~If the household income of the claimant's household is more~~
25 ~~than twenty thousand dollars (\$20,000) but not more than twenty five thousand~~
26 ~~dollars (\$25,000) for the income year, the claimant shall be entitled to file~~
27 ~~a claim for an amount equal to the ad valorem taxes paid on the claimant's~~
28 ~~homestead; however, the maximum refund any claimant may receive under this~~
29 ~~subdivision shall be one hundred twenty five dollars (\$125);-~~

30 (5) ~~If the household income of the claimant's household is more~~
31 ~~than twenty five thousand dollars (\$25,000) but not more than thirty thousand~~
32 ~~dollars (\$30,000) for the income year, the claimant shall be entitled to file~~
33 ~~a claim for an amount equal to the ad valorem taxes paid on the claimant's~~
34 ~~homestead; however, the maximum refund any claimant may receive under this~~
35 ~~subdivision shall be one hundred dollars (\$100);-~~

36 (6) ~~{Effective only for claims filed for refunds of property~~

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SPEAKER OF THE HOUSE

1 ~~taxes paid during calendar year 1999.] If the household income of the~~
2 ~~claimant's household is more than twelve thousand dollars (\$12,000) but not~~
3 ~~more than twenty five thousand dollars (\$25,000) for the income year, the~~
4 ~~claimant shall be entitled to file a claim for an amount equal to the ad~~
5 ~~valorem taxes paid on the claimant's homestead; however, the maximum refund~~
6 ~~any claimant may receive under this subdivision shall be one hundred dollars~~
7 ~~(\$100).-~~

8 ~~(b) The refund shall be paid to the claimant as a cash refund.~~
9 ~~However, no interest shall be allowed on any payment made to a claimant under~~
10 ~~the provisions of this subchapter.-~~

11 ~~(c) If a claimant or another member of the household has any~~
12 ~~outstanding tax liability to the State of Arkansas, the amount of any claim~~
13 ~~otherwise payable under this subchapter, or such portion thereof as is~~
14 ~~necessary, shall be applied to the payment of the outstanding tax liability.-~~

15 ~~26-51-608. Individual Income Tax Withholding Fund - Payment of cash~~
16 ~~rebates - Loans.~~

17 ~~(a) The Individual Income Tax Withholding Fund shall also be used for~~
18 ~~the payment of cash rebates to claimants under the provisions of this~~
19 ~~subchapter.-~~

20 ~~(b) Of the net general revenues available for distribution each month,~~
21 ~~the Treasurer of State shall, before deducting therefrom the three percent~~
22 ~~(3%) as provided by law for credit to the Constitutional Officers' Fund and~~
23 ~~the State Central Services Fund and before making the percentage distributions~~
24 ~~of general revenues as provided by law, deduct therefrom an amount certified~~
25 ~~by the Director of the Department of Finance and Administration, acting as the~~
26 ~~Chief Fiscal Officer of the State, as being required to pay all cash rebates~~
27 ~~which have been paid or approved for payment during the preceding month upon~~
28 ~~applications filed as authorized in this subchapter and shall credit the same~~
29 ~~to the Individual Income Tax Withholding Fund to be used in paying the cash~~
30 ~~rebates which have been approved for payment, or for repaying moneys~~
31 ~~temporarily loaned to the fund from the Budget Stabilization Trust Fund for~~
32 ~~payment of such rebates.-~~

33 ~~(c)(1) Temporary loans may be made from the Budget Stabilization Trust~~
34 ~~Fund to the Individual Income Tax Withholding Fund upon certification of the~~
35 ~~amount by the Chief Fiscal Officer of the State, for the purpose of making~~
36 ~~moneys available to pay cash rebates to claimants under this subchapter as the~~

Richard Crump
PRESIDENT OF SENATE

Robert W. Williams
SPEAKER OF THE HOUSE

1 ~~rebates are filed and approved for payment, but any amounts so loaned shall be~~
2 ~~repaid to the Budget Stabilization Trust Fund from the moneys first credited~~
3 ~~to the Individual Income Tax Withholding Fund during the month next following~~
4 ~~the month in which the loan was made.~~

5 ~~(2) All loans and repayment thereof shall be by transfers upon~~
6 ~~the books of the Treasurer of State upon certification of the amounts by the~~
7 ~~Chief Fiscal Officer of the State.~~

8
9 SECTION 8. Arkansas Code 26-52-302 is amended to read as follows:

10 26-52-302. Additional taxes levied.

11 (a) In addition to the excise tax levied upon the gross proceeds or
12 gross receipts derived from all sales by the Arkansas Gross Receipts Act, §
13 26-52-101 et seq., there is levied an excise tax of one percent (1%) upon all
14 taxable sales of property and services subject to the tax levied in that act.
15 This tax shall be collected, reported, and paid in the same manner and at the
16 same time as is prescribed by law for the collection, reporting, and payment
17 of all other Arkansas gross receipts taxes. In computing gross receipts or
18 gross proceeds as defined in § 26-52-103(a)(4), a deduction shall be allowed
19 for bad debts resulting from the sale of tangible personal property.

20 (b) In addition to the excise tax levied upon the gross proceeds or
21 gross receipts derived from all sales by the Arkansas Gross Receipts Act, §
22 26-52-101 et seq., there is hereby levied an excise tax of one-half of one
23 percent (.5%) upon all taxable sales of property and services subject to the
24 tax levied in that act, and such tax shall be collected, reported, and paid in
25 the same manner and at the same time as is prescribed by law for the
26 collection, reporting, and payment of all other Arkansas gross receipts taxes.
27 Provided that, in computing gross receipts or gross proceeds as defined in §
28 26-52-103(a)(4), a deduction shall be allowed for bad debts resulting from the
29 sale of tangible personal property.

30 ~~(c)(1) [Effective January 1, 2001, if the following contingencies are~~
31 ~~met: (a) The General Assembly refers a constitutional amendment to be approved~~
32 ~~during the 2000 general election; (b) The amendment provides for a limitation~~
33 ~~on the increase in the assessed value of real property after a county wide~~
34 ~~reappraisal; and (c) the amendment is approved.] Beginning January 1, 2001,~~
35 ~~there is hereby levied an additional excise tax of one half of one percent~~
36 ~~(0.50%) upon all taxable sales of property and services subject to the tax~~

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SPEAKER OF THE HOUSE

1 ~~levied by the Arkansas Gross Receipts Act of 1941, as amended, § 26-52-101 et~~
2 ~~seq.~~

3 ~~(2) The tax shall be collected, reported, and paid in the same~~
4 ~~manner and at the same time as is prescribed by the Arkansas Gross Receipts~~
5 ~~Act of 1941, as amended, § 26-52-101 et seq., for the collection, reporting,~~
6 ~~and payment of Arkansas gross receipts taxes.~~

7 (c)(1) Beginning January 1, 2001, there is hereby levied an additional
8 excise tax of one-half of one percent (0.50%) upon all taxable sales of
9 property and services subject to the tax levied by the Arkansas Gross Receipts
10 Act of 1941, as amended, § 26-52-101 et seq.

11 (2) The tax shall be collected, reported, and paid in the same
12 manner and at the same time as is prescribed by the Arkansas Gross Receipts
13 Act of 1941, as amended, § 26-52-101 et seq., for the collection, reporting,
14 and payment of Arkansas gross receipts taxes.

15
16 SECTION 9. Arkansas Code 26-53-107 is amended to read as follows:
17 26-53-107. Additional taxes levied.

18 (a) In addition to the excise tax levied upon the privilege of storing,
19 using, distributing, or consuming tangible personal property within this state
20 by the Arkansas Compensating Tax Act, § 26-53-101 et seq., there is levied an
21 excise tax of one percent (1%) upon all tangible personal property subject to
22 the tax levied in that act, and the tax shall be collected, reported, and paid
23 in the same manner and at the same time as is prescribed by law for the
24 collection, reporting, and payment of state compensating taxes.

25 (b) In addition to the excise tax levied upon the privilege of storing,
26 using, distributing, or consuming tangible personal property within the state
27 by the Arkansas Compensating Tax Act, § 26-53-101 et seq., there is hereby
28 levied an excise tax of one-half of one percent (0.50%) upon all tangible
29 personal property subject to the tax levied in that act, and such tax shall be
30 collected, reported, and paid in the same manner and at the same time as is
31 prescribed by law for the collection, reporting, and payment of Arkansas
32 compensating taxes.

33 ~~(c)(1) [Effective January 1, 2001, if the following contingencies are~~
34 ~~met: (a) The General Assembly refers a constitutional amendment to be approved~~
35 ~~during the 2000 general election; (b) The amendment provides for a limitation~~
36 ~~in the increase in the assessed value of real property after a county wide~~

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SPEAKER OF THE HOUSE

1 reappraisal; and (c) ~~The amendment is approved.~~ Beginning January 1, 2001,
2 there is hereby levied an additional excise tax of one half of one percent
3 (0.50%) upon all tangible personal property subject to the tax levied by the
4 Arkansas Compensating Tax Act of 1949, as amended, § 26-53-101 et seq.

5 (2) ~~The tax shall be collected, reported, and paid in the same~~
6 ~~manner and at the same time as is prescribed by the Arkansas Compensating Act~~
7 ~~of 1949, as amended, § 26-53-101 et seq., for the collection, reporting, and~~
8 ~~payment of Arkansas compensating taxes.~~

9 (c)(1) Beginning January 1, 2001, there is hereby levied an additional
10 excise tax of one-half of one percent (0.50%) upon all tangible personal
11 property subject to the tax levied by the Arkansas Compensating Tax Act of
12 1949, as amended, § 26-53-101 et seq.

13 (2) The tax shall be collected, reported, and paid in the same
14 manner and at the same time as is prescribed by the Arkansas Compensating Tax
15 Act of 1949, as amended, § 26-53-101 et seq., for the collection, reporting,
16 and payment of Arkansas compensating taxes.

17
18 SECTION 10. [THE ARKANSAS CODE REVISION COMMISSION IS NOT REQUIRED TO
19 CODIFY THIS SECTION.] Effective date. The provisions of Section 7 shall
20 become effective January 1, 2002. Claims for refund may be filed in 2001
21 pursuant to Arkansas Code 26-51-601 through 26-51-608 for property taxes paid
22 during calendar year 2000 for property assessed in calendar year 1999.

23
24 SECTION 11. EMERGENCY CLAUSE. It is found and determined by the
25 General Assembly of the State of Arkansas that Amendment 79 to the Arkansas
26 Constitution requires the General Assembly to provide for a property tax
27 credit of not less than \$300 for each homestead; that providing such a
28 property tax credit results in a significant reduction in revenues for funding
29 county services and public schools; that without an alternative source of
30 funding counties and public schools cannot operate effectively; that an
31 increase in the state sales and use tax provides a source of funding for
32 counties and public schools; that this act will accomplish the purposes of
33 Amendment 79 in providing a property tax credit and source of funding. It is
34 necessary that this act become effective immediately in order to facilitate
35 the administration of the property tax credit and to generate sufficient
36 revenues to fully fund the credit. Therefore, an emergency is declared to

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exist and Sections 1, 2, 3, 4, 5, 6, 8 and 9 of this act being immediately
necessary for the preservation of the public peace, health and safety shall
become effective on the date of its approval by the Governor. If the bill is
neither approved nor vetoed by the Governor, it shall become effective on the
expiration of the period of time during which the Governor may veto the bill.
If the bill is vetoed by the Governor and the veto is overridden, it shall
become effective on the date the last house overrides the veto.

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Tom Cantway

PRESIDENT OF SENATE

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APPROVED *[Signature]*
12-15-00 GOVERNOR

[Signature]
SPEAKER OF THE HOUSE

1 State of Arkansas
2 82nd General Assembly
3 Second Extraordinary Session, 2000

Call Item 3

A Bill

SENATE BILL /

ACT 2 of 2000

5 By: Senators Riggs, Bisbee
6 By: Representatives Courtway, R. Smith

For An Act To Be Entitled

10 AN ACT TO PROVIDE A THREE HUNDRED DOLLAR REAL PROPERTY
11 TAX CREDIT IN ACCORDANCE WITH AMENDMENT 79 OF THE
12 ARKANSAS CONSTITUTION; TO INCREASE THE SALES AND USE
13 TAX BY ONE-HALF OF ONE PERCENT; AND FOR OTHER
14 PURPOSES.

Subtitle

17 PROVIDES A \$300 REAL PROPERTY TAX
18 CREDIT; INCREASES SALES AND USE TAX BY
19 ONE-HALF OF ONE PERCENT.

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

24 SECTION 1. Arkansas Code 19-5-1103 is repealed.

25 ~~19-5-1103. Property Tax Relief Trust Fund. [Effective January 1, 2001, if~~
26 ~~the following contingencies are met: (a) The General Assembly refers a~~
27 ~~constitutional amendment to be approved during the 2000 general election; (b)~~
28 ~~The amendment provides for a limitation on the increase in the assessed value~~
29 ~~of real property after a county wide reappraisal; and (c) The amendment is~~
30 ~~approved.]~~

31 ~~(a) There is hereby created on the books of the Treasurer of State, the~~
32 ~~Auditor of State, and the Chief Fiscal Officer of the State a special revenue~~
33 ~~fund to be known as the Property Tax Relief Trust Fund.~~

34 ~~(b) The fund shall consist of such revenues as generated by §§ 26-52-~~
35 ~~302(c) and 26-53-107(c) and shall be used for such purposes as set out herein.~~

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President of the Senate

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1 SECTION 2. (a) There is hereby created on the books of the Treasurer of
2 State, the Auditor of State, and the Chief Fiscal Officer of the State a
3 special revenue fund to be known as the Property Tax Relief Trust Fund.

4 (b) The fund shall consist of such revenues as generated by Arkansas
5 Code 26-52-302(c) and 26-53-107(c) and shall be used for such purposes as set
6 out herein.

7
8 SECTION 3. Arkansas Code 26-26-309 is repealed.

9 ~~26-26-309. Certification of amount of property tax reduction. [Effective~~
10 ~~January 1, 2001, if the following conditions occur: (1) The General Assembly~~
11 ~~refers a constitutional amendment to be approved during the 2000 general~~
12 ~~election providing for a limitation on the increase in the assessed value of~~
13 ~~real property after a county wide reappraisal; and (2) That constitutional~~
14 ~~amendment is approved.]~~

15 ~~(a)(1) On or before March 31, 2001, and each March 31 thereafter, the~~
16 ~~county collector of each county shall certify to the Chief Fiscal Officer of~~
17 ~~the State the amount of the real property tax reduction provided in § 26-26-~~
18 ~~1117.~~

19 ~~(2)(A) After receipt of the certification from the county collectors,~~
20 ~~the Chief Fiscal Officer of the State shall determine the proportionate share~~
21 ~~of the total statewide reduction attributable to each county.~~

22 ~~(B) At the end of each month, the Chief Fiscal Officer of the~~
23 ~~State shall determine the balance in the Property Tax Relief Trust Fund and~~
24 ~~certify it to the Treasurer of State, who shall make distributions from the~~
25 ~~fund to each county treasurer in accordance with the county's proportionate~~
26 ~~share of the total statewide property tax reduction for that calendar year~~
27 ~~resulting from the provisions of § 26-26-1117.~~

28 ~~(3)(A) Funds so received by the county treasurers shall be allocated and~~
29 ~~distributed to the various taxing units within the county which levy ad valorem~~
30 ~~taxes.~~

31 ~~(B) Funds so received by the various taxing units shall be used~~
32 ~~for the same purposes and in the same proportions as otherwise provided by law~~

33 ~~(b)(1) Reimbursements to each county shall continue on a monthly basis~~
34 ~~from the Property Tax Relief Trust Fund until the full amount certified by the~~
35 ~~county collectors has been paid.~~

36 ~~(2)(A) In no event shall the amount distributed to a county during~~

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Speaker of the House

1 a calendar year from the Property Tax Relief Trust Fund exceed the amount
2 certified by the county collector as the property tax reduction for that
3 calendar year resulting from § 26-26-1117.

4 ~~(B) Commencing December 31, 2002, and each December 31 thereafter,~~
5 ~~the Chief Fiscal Officer of the State, in cooperation with the Legislative~~
6 ~~Council and the Legislative Auditor, shall determine that portion of the~~
7 ~~balance remaining that is in excess of the required reimbursement to the~~
8 ~~counties and shall certify the same to the Treasurer of State, who shall~~
9 ~~transfer such amount from the Property Tax Relief Trust Fund to the general~~
10 ~~revenue fund of the State Apportionment Fund.~~

11 ~~(3)(A) The Chief Fiscal Officer of the State, the Legislative~~
12 ~~Auditor, or their designees shall be entitled to audit the books and records of~~
13 ~~the county assessor, county collector, or any other party as needed to ensure~~
14 ~~that the amount of the property tax reduction certified by the county collector~~
15 ~~is accurate.~~

16 ~~(B) The Chief Fiscal Officer of the State shall have the authority~~
17 ~~to adjust the amount certified by the county collector if it is discovered that~~
18 ~~the certified amount is incorrect.~~

19
20 SECTION 4. Arkansas Code Title 26, Chapter 26, Subchapter 3 is amended
21 to add an additional section to read as follows:

22 26-26-310. Certification of amount of property tax reduction.

23 (a)(1) On or before March 31, 2001, and each March 31 thereafter, the
24 county collector of each county shall certify to the Chief Fiscal Officer of
25 the State the amount of the real property tax reduction provided in § 26-26-
26 1118.

27 (2)(A) After receipt of the certification from the county
28 collectors, the Chief Fiscal Officer of the State shall determine the
29 proportionate share of the total statewide reduction attributable to each
30 county.

31 (B) At the end of each month, the Chief Fiscal Officer of
32 the State shall determine the balance in the Property Tax Relief Trust Fund and
33 certify it to the Treasurer of State, who shall make distributions from the
34 fund to each county treasurer in accordance with the county's proportionate
35 share of the total statewide property tax reduction for that calendar year
36 resulting from the provisions of § 26-26-1118.

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1 (3)(A) Funds so received by the county treasurers shall be
2 allocated and distributed to the various taxing units within the county which
3 levy ad valorem taxes.

4 (B) Funds so received by the various taxing units shall be
5 used for the same purposes and in the same proportions as otherwise provided by
6 law.

7 (b)(1) Reimbursements to each county shall continue on a monthly basis
8 from the Property Tax Relief Trust Fund until the full amount certified by the
9 county collectors has been paid.

10 (2)(A) In no event shall the amount distributed to a county during
11 a calendar year from the Property Tax Relief Trust Fund exceed the amount
12 certified by the county collector as the property tax reduction for that
13 calendar year resulting from § 26-26-1118.

14 (B) Commencing December 31, 2002, and each December 31
15 thereafter, the Chief Fiscal Officer of the State, in cooperation with the
16 Legislative Council and the Legislative Auditor, shall determine that portion
17 of the balance remaining that is in excess of the required reimbursement to the
18 counties and shall certify the same to the Treasurer of State. Such excess
19 funds may be used in accordance with subsequent legislation to provide
20 additional tax relief, or financial assistance to school districts that incur a
21 reduction in revenue as a direct result of Amendment 79.

22 (3)(A) The Chief Fiscal Officer of the State, the Legislative
23 Auditor, or their designees shall be entitled to audit the books and records of
24 the county assessor, county collector, or any other party as needed to ensure
25 that the amount of the property tax reduction certified by the county collector
26 is accurate.

27 (B) The Chief Fiscal Officer of the State shall have the
28 authority to adjust the amount certified by the county collector if it is
29 discovered that the certified amount is incorrect.

30
31 SECTION 5. Arkansas Code 26-26-1117 is repealed.

32 ~~26-26-1117. Limitation on increase of property's assessed value.~~
33 ~~{Effective January 1, 2001, if the following contingencies are met: (1) The~~
34 ~~General Assembly refers a constitutional amendment to be approved during the~~
35 ~~2000 general election providing for a limitation on the increase in the~~
36 ~~assessed value of real property after a county wide reappraisal; and (2) The~~

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1 constitutional amendment is approved.]

2 (a)(1) ~~Effective with the assessment year 2000 and thereafter, the~~
3 ~~amount of real property taxes assessed on the homestead of each taxpayer shall~~
4 ~~be reduced by three hundred dollars (\$300), provided that no assessment shall~~
5 ~~be reduced to less than zero (\$0.00).~~

6 (2) ~~Each property owner shall pay the reduced tax amount to the~~
7 ~~county.~~

8 (3) ~~The tax reduction adopted by this act shall be reflected on~~
9 ~~the tax bill sent to the property owner by the county collector.~~

10 (4) ~~The county and taxing units within the county shall be~~
11 ~~entitled to reimbursement of the reduction in accordance with § 26-26-309.~~

12 (b)(1) ~~The term "homestead", as used in this section, means the~~
13 ~~dwelling of a person which is used as his or her principal place of residence~~
14 ~~and land contiguous thereto, excluding all land valued as agricultural land,~~
15 ~~pasture land, or timber land, or a dwelling owned by a revocable trust and~~
16 ~~used as the principal place of residence of a person who formed the trust.~~

17 (2) ~~For purposes of this section, the total area of an urban~~
18 ~~homestead shall not exceed one fourth (1/4) of one (1) acre and the total area~~
19 ~~of a rural homestead shall not exceed eighty (80) acres.~~

20 (c) ~~Each county assessor shall be responsible for identifying those~~
21 ~~parcels of real property which are used as a homestead residence prior to~~
22 ~~issuing tax bills.~~

23
24 SECTION 6. Arkansas Code Title 26, Chapter 26, Subchapter 11 is amended
25 to add an additional section to read as follows:

26 26-26-1118. Limitation on increase of property's assessed value.

27 (a)(1) Effective with the assessment year 2000 and thereafter, the
28 amount of real property taxes assessed on the homestead of each taxpayer shall
29 be reduced by three hundred dollars (\$300), provided that no assessment shall
30 be reduced to less than zero (\$0.00).

31 (2) Each property owner shall pay the reduced tax amount to the
32 county.

33 (3) The tax reduction adopted by this act shall be reflected on
34 the tax bill sent to the property owner by the county collector.

35 (4) The county and taxing units within the county shall be
36 entitled to reimbursement of the reduction in accordance with § 26-26-310.

Richard Blumenthal
President of the Senate

Robert White
Speaker of the House

1 (b) The term "homestead", as used in this section, means the dwelling of
2 a person which is used as his or her principal place of residence and land
3 contiguous thereto, excluding all land valued as agricultural land, pasture
4 land, or timber land. The term "homestead" shall also include a dwelling
5 owned by a revocable trust and used as the principal place of residence of a
6 person who formed the trust.

7 (c) Each county assessor shall be responsible for identifying those
8 parcels of real property which are used as a homestead residence prior to
9 issuing tax bills.

10
11 SECTION 7. Arkansas Code 26-51-601 - 26-51-608 are repealed.

12 ~~26-51-601. Legislative purpose.~~

13 ~~It is the purpose and the intent of this subchapter to prescribe a~~
14 ~~procedure whereby residents of this state who are sixty two (62) years of age~~
15 ~~or older, who own and pay ad valorem property taxes on their homes, may claim a~~
16 ~~refund from the state for a portion of the property taxes paid on their homes~~
17 ~~to lessen the burden placed upon these taxpayers by the ad valorem property~~
18 ~~taxes levied upon their homes.~~

19 ~~26-51-602. Definitions.~~

20 ~~As used in this subchapter, unless the context otherwise requires:-~~

21 ~~(1) "Claimant" means a person who has filed a claim for a refund under~~
22 ~~the provisions of this subchapter;-~~

23 ~~(2)(A) "Homestead" means a dwelling owned by a claimant and used as his~~
24 ~~principal place of abode, including the parcel of land on which the dwelling~~
25 ~~is situated and all lands contiguous thereto or a dwelling owned by a~~
26 ~~revocable trust and used as the principal place of abode of persons who formed~~
27 ~~the trust and otherwise qualify as a claimant, including the parcel of land on~~
28 ~~which the dwelling is situated and all lands contiguous thereto.~~

29 ~~(B) However, no dwelling and the lands on which it is located~~
30 ~~shall be considered a homestead for the purposes of this subchapter unless the~~
31 ~~claimant has resided thereon for at least one (1) year immediately preceding~~
32 ~~the filing of a claim under this subchapter.~~

33 ~~(C) Further, a mobile home which is affixed to the realty and is~~
34 ~~taxed as real property may qualify as a homestead for the purposes of this~~
35 ~~subchapter;-~~

36 ~~(3) "Household" means a claimant, or a claimant and an individual~~

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President of the Senate

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1 ~~related to the claimant as husband or wife;~~

2 ~~(4) "Household income" means the combined income received by members of~~
3 ~~a household during a calendar year;~~

4 ~~(5)(A) "Income" means gross income as defined in the Arkansas Income~~
5 ~~Tax Act, as amended, § 26-51-101 et seq., less deductions allowed under § 26-~~
6 ~~51-423(a)(1). It shall also include alimony, support money, cash public~~
7 ~~assistance and relief, but shall not include relief granted under this~~
8 ~~subsection; the gross amount of any pension or annuity, including all monetary~~
9 ~~retirement benefits from whatever source derived including but not limited to~~
10 ~~railroad retirement benefits, all payments received under the the federal~~
11 ~~social Security Act, and veterans' disability pensions; all dividnds and~~
12 ~~interest from whatever source derived not included in gross income, workers'~~
13 ~~compensation, and the gross amount of "loss of time insurance" but does not~~
14 ~~include gifts from nongovernmental sources, surplus food, or other relief in~~
15 ~~kind supplied by a governmental agency.~~

16 ~~(B) However, in the case of a claimant who is a World War I~~
17 ~~veteran of the United States armed services or the widow of such a veteran,~~
18 ~~the term "income" as used herein shall not include federal or state retirement~~
19 ~~or pension benefits or disability benefits, railroad retirement benefits, or~~
20 ~~social security benefits; and~~

21 ~~(6) "Property taxes" means all ad valorem taxes exclusive of special~~
22 ~~assessments and delinquent charges, levied and paid on a claimant's homestead~~
23 ~~during any particular year involved.~~

24 ~~26-51-603. Eligibility.~~

25 ~~(a) Any person sixty two (62) years of age or older or who is disabled,~~
26 ~~as defined in Title XIX of the federal Social Security Act in effect on~~
27 ~~January 1, 1999, for any period during the income year or who is a permanently~~
28 ~~and totally disabled veteran as defined by 38 CFR part IV, who has been a~~
29 ~~resident of this state for two (2) years or more, and who owns and has resided~~
30 ~~in a homestead in this state for a period of one (1) year or more, may,~~
31 ~~subject to the limitations and requirements prescribed in this subchapter,~~
32 ~~file a claim in the manner provided by this subchapter for a cash refund for~~
33 ~~ad valorem property taxes paid upon the homestead of the claimant during or~~
34 ~~after the third year of residency in this state, up to the limits prescribed~~
35 ~~in § 26-51-607.~~

36 ~~(b) However, no claim filed pursuant to this subchapter shall be~~

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1 ~~allowed to any person who is a recipient of public funds for the payment of~~
2 ~~taxes during the period for which the claim is filed.~~

3 ~~(c) No claim shall be allowed under the provisions of this subchapter~~
4 ~~if the Department of Finance and Administration determines that the claimant~~
5 ~~received title to his homestead primarily for the purpose of taking advantage~~
6 ~~of the benefits provided by this subchapter.~~

7 ~~26 51 604. Claims Filing Contents.~~

8 ~~(a) Any person desiring to file a claim for a cash refund under the~~
9 ~~provisions of this subchapter shall file the claim with the Department of~~
10 ~~Finance and Administration on forms prescribed by that department and shall~~
11 ~~furnish such information to substantiate the claim as is provided in this~~
12 ~~section, or as may be prescribed by regulation of the department.~~

13 ~~(b) Claims under this subchapter shall be filed on or before August 15~~
14 ~~of the year next following the year in which the homestead ad valorem property~~
15 ~~taxes used as a basis for the claim were paid. However, if failure of the~~
16 ~~claimant to file the claim within the time prescribed herein is due to serious~~
17 ~~illness of the claimant or to some other matter beyond the control of the~~
18 ~~claimant, the Director of the Department of Finance and Administration may~~
19 ~~permit the filing of the claim at any time within four (4) months after the~~
20 ~~deadline prescribed herein for filing the claim.~~

21 ~~(c) Only one (1) member of a household may make a claim under the~~
22 ~~provisions of this subchapter for any particular year.~~

23 ~~(d) Every person filing a claim under the provisions of this subchapter~~
24 ~~shall include in the claim information showing the names of members of the~~
25 ~~claimant's household, the amount of the household income as defined in this~~
26 ~~subchapter, the address or location of the homestead of the claimant, a~~
27 ~~statement of the ad valorem taxes paid on the homestead during the income~~
28 ~~year, and a statement that there are no delinquent property taxes on the~~
29 ~~homestead, and such other information as may be required by the department to~~
30 ~~assure that the claimant is eligible for, and entitled to, benefits under the~~
31 ~~provisions of this subchapter.~~

32 ~~(e) All claims filed under the provisions of this subchapter shall be~~
33 ~~made upon forms prescribed and furnished by the department, and all forms~~
34 ~~shall include appropriate instructions to claimants for filing a claim under~~
35 ~~this subchapter.~~

36 ~~26 51 605. Claims Effect of claimant's death.~~

Handwritten signature and text:
President of the Senate

Handwritten signature:
Robert W. Williams

1 ~~(a) The right to file a claim under the provisions of this subchapter~~
2 ~~shall be personal to the claimant or another member of the household and shall~~
3 ~~not survive the death of the members of the household.~~

4 ~~(b) If a claimant dies after having filed a timely claim, the amount~~
5 ~~thereof may be disbursed only to another member of the household as defined in~~
6 ~~§ 26-51-602.~~

7 ~~26-51-606. Claims Approval or denial.~~

8 ~~(a) The Department of Finance and Administration shall either approve~~
9 ~~or deny every claim filed hereunder, either in the amount claimed or in an~~
10 ~~amount determined by the department within ninety (90) days after the date the~~
11 ~~claims are filed.~~

12 ~~(b)(1) If the department denies the claim of any claimant or reduces~~
13 ~~the amount claimed, it shall so notify the claimant and the claimant may~~
14 ~~request a reconsideration of the claim by the department by filing a written~~
15 ~~request for reconsideration at any time within thirty (30) days after receipt~~
16 ~~of the notice of the decision of the department.~~

17 ~~(2) Upon receipt of the request for reconsideration of a claim,~~
18 ~~the department shall reconsider the claim and notify the claimant of its final~~
19 ~~decision within thirty (30) days after the receipt of the request.~~

20 ~~(c) If the claimant is dissatisfied with the final ruling of the~~
21 ~~department regarding his claim, he may appeal the decision to the Pulaski~~
22 ~~County Chancery Court or the chancery court of the county in which he resides~~
23 ~~in the manner and within the time prescribed for appeals from other~~
24 ~~administrative decisions of the Director of the Department of Finance and~~
25 ~~Administration.~~

26 ~~26-51-607. Allowable cash refund Maximum. [Effective until as provided~~
27 ~~by Acts 1997, No. 328, §§ 10 and 11.]~~

28 ~~(a) The amount of any cash refund allowed or made pursuant to the~~
29 ~~provision of this subchapter shall be determined as follows:~~

30 ~~(1) If the household income of the claimant's household was seven~~
31 ~~thousand dollars (\$7,000) or less during the income year, the claimant shall~~
32 ~~be entitled to file a claim for an amount equal to the ad valorem taxes paid~~
33 ~~on the claimant's homestead; however, the maximum refund any claimant may~~
34 ~~receive under this subdivision shall be two hundred fifty dollars (\$250);~~

35 ~~(2) If the household income of the claimant's household is more~~
36 ~~than seven thousand dollars (\$7,000) but not more than eight thousand dollars~~

Richard L. Kemp
President of the Senate

Robert W. Williams
Speaker of the House

1 ~~(\$8,000) for the income year, the claimant shall be entitled to file a claim~~
2 ~~for an amount equal to the ad valorem taxes paid on the claimant's homestead;~~
3 ~~however, the maximum refund any claimant may receive under this subdivision~~
4 ~~shall be two hundred dollars (\$200);-~~

5 ~~(3) If the household income of the claimant's household is more~~
6 ~~than eight thousand dollars (\$8,000) but not more than nine thousand dollars~~
7 ~~(\$9,000) for the income year, the claimant shall be entitled to file a claim~~
8 ~~for an amount equal to the ad valorem taxes paid on the claimant's homestead;~~
9 ~~however, the maximum refund any claimant may receive under this subdivision~~
10 ~~shall be one hundred fifty dollars (\$150);-~~

11 ~~(4) If the household income of the claimant's household is more~~
12 ~~than nine thousand dollars (\$9,000) but not more than ten thousand dollars~~
13 ~~(\$10,000) for the income year, the claimant shall be entitled to file a claim~~
14 ~~for an amount equal to the ad valorem taxes paid on the claimant's homestead;~~
15 ~~however, the maximum refund any claimant may receive under this subdivision~~
16 ~~shall be one hundred dollars (\$ 100);-~~

17 ~~(5) If the household income of the claimant's household is more~~
18 ~~than ten thousand dollars (\$10,000) but not more than eleven thousand dollars~~
19 ~~(\$11,000) for the income year, the claimant shall be entitled to file a claim~~
20 ~~for an amount equal to the ad valorem taxes paid on the claimant's homestead;~~
21 ~~however, the maximum refund any claimant may receive under this subdivision~~
22 ~~shall be seventy five dollars (\$75.00);-~~

23 ~~(6) If the household income of the claimant's household is more~~
24 ~~than eleven thousand dollars (\$11,000) but not more than fifteen thousand~~
25 ~~dollars (\$15,000) for the income year, the claimant shall be entitled to file~~
26 ~~a claim for an amount equal to the ad valorem taxes paid on the claimant's~~
27 ~~homestead; however, the maximum refund any claimant may receive under this~~
28 ~~subdivision shall be fifty dollars (\$50.00).-~~

29 ~~(b) The refund shall be paid to the claimant as a cash refund.-~~
30 ~~However, no interest shall be allowed on any payment made to a claimant under~~
31 ~~the provisions of this subchapter.-~~

32 ~~(c) If a claimant or another member of the household has any~~
33 ~~outstanding tax liability to the State of Arkansas, the amount of any claim~~
34 ~~otherwise payable under this subchapter, or such portion thereof as is~~
35 ~~necessary, shall be applied to the payment of the outstanding tax liability.-~~

36 ~~26-51-607. Allowable cash refund Maximum. [Effective as provided by~~

Richard Blumenthal
President of the Senate

Robert W. Williams, Jr.

1 ~~Acts 1997, No. 328, §§ 10 and 11.]~~

2 ~~(a) [Effective for claims filed for refunds of property taxes paid~~
3 ~~during calendar year 2000 and during subsequent years.] The amount of any cash~~
4 ~~refund allowed or made pursuant to the provisions of this subchapter shall be~~
5 ~~determined as follows:-~~

6 ~~(1) If the household income of the claimant's household was ten~~
7 ~~thousand dollars (\$10,000) or less during the income year, the claimant shall~~
8 ~~be entitled to file a claim for an amount equal to the ad valorem taxes paid~~
9 ~~on the claimant's homestead; however, the maximum refund any claimant may~~
10 ~~receive under this subdivision shall be three hundred twenty five dollars~~
11 ~~(\$325);-~~

12 ~~(2) If the household income of the claimant's household is more~~
13 ~~than ten thousand dollars (\$10,000) but not more than fifteen thousand dollars~~
14 ~~(\$15,000) for the income year, the claimant shall be entitled to file a claim~~
15 ~~for an amount equal to the ad valorem taxes paid on the claimant's homestead;~~
16 ~~however, the maximum refund any claimant may receive under this subdivision~~
17 ~~shall be two hundred twenty five dollars (\$225);-~~

18 ~~(3) If the household income of the claimant's household is more~~
19 ~~than fifteen thousand dollars (\$15,000) but not more than twenty thousand~~
20 ~~dollars (\$20,000) for the income year, the claimant shall be entitled to file~~
21 ~~a claim for an amount equal to the ad valorem taxes paid on the claimant's~~
22 ~~homestead; however, the maximum refund any claimant may receive under this~~
23 ~~subdivision shall be one hundred seventy five dollars (\$175);-~~

24 ~~(4) If the household income of the claimant's household is more~~
25 ~~than twenty thousand dollars (\$20,000) but not more than twenty five thousand~~
26 ~~dollars (\$25,000) for the income year, the claimant shall be entitled to file~~
27 ~~a claim for an amount equal to the ad valorem taxes paid on the claimant's~~
28 ~~homestead; however, the maximum refund any claimant may receive under this~~
29 ~~subdivision shall be one hundred twenty five dollars (\$125);-~~

30 ~~(5) If the household income of the claimant's household is more~~
31 ~~than twenty five thousand dollars (\$25,000) but not more than thirty thousand~~
32 ~~dollars (\$30,000) for the income year, the claimant shall be entitled to file~~
33 ~~a claim for an amount equal to the ad valorem taxes paid on the claimant's~~
34 ~~homestead; however, the maximum refund any claimant may receive under this~~
35 ~~subdivision shall be one hundred dollars (\$100);-~~

36 ~~(6) [Effective only for claims filed for refunds of property~~

Handwritten signature of President of the Senate
President of the Senate

Handwritten signature of Robert Williams
Speaker of the House

1 ~~taxes paid during calendar year 1999.) If the household income of the~~
2 ~~claimant's household is more than twelve thousand dollars (\$12,000) but not~~
3 ~~more than twenty five thousand dollars (\$25,000) for the income year, the~~
4 ~~claimant shall be entitled to file a claim for an amount equal to the ad~~
5 ~~valorem taxes paid on the claimant's homestead; however, the maximum refund~~
6 ~~any claimant may receive under this subdivision shall be one hundred dollars~~
7 ~~(\$100).-~~

8 ~~(b) The refund shall be paid to the claimant as a cash refund.-~~
9 ~~However, no interest shall be allowed on any payment made to a claimant under~~
10 ~~the provisions of this subchapter.-~~

11 ~~(c) If a claimant or another member of the household has any~~
12 ~~outstanding tax liability to the State of Arkansas, the amount of any claim~~
13 ~~otherwise payable under this subchapter, or such portion thereof as is~~
14 ~~necessary, shall be applied to the payment of the outstanding tax liability.-~~

15 ~~26 51 608. Individual Income Tax Withholding Fund Payment of cash~~
16 ~~rebates Loans.-~~

17 ~~(a) The Individual Income Tax Withholding Fund shall also be used for~~
18 ~~the payment of cash rebates to claimants under the provisions of this~~
19 ~~subchapter.-~~

20 ~~(b) Of the net general revenues available for distribution each month,~~
21 ~~the Treasurer of State shall, before deducting therefrom the three percent~~
22 ~~(3%) as provided by law for credit to the Constitutional Officers' Fund and~~
23 ~~the State Central Services Fund and before making the percentage distributions~~
24 ~~of general revenues as provided by law, deduct therefrom an amount certified~~
25 ~~by the Director of the Department of Finance and Administration, acting as the~~
26 ~~Chief Fiscal Officer of the State, as being required to pay all cash rebates~~
27 ~~which have been paid or approved for payment during the preceding month upon~~
28 ~~applications filed as authorized in this subchapter and shall credit the same~~
29 ~~to the Individual Income Tax Withholding Fund to be used in paying the cash~~
30 ~~rebates which have been approved for payment, or for repaying moneys~~
31 ~~temporarily loaned to the fund from the Budget Stabilization Trust Fund for~~
32 ~~payment of such rebates.-~~

33 ~~(c)(1) Temporary loans may be made from the Budget Stabilization Trust~~
34 ~~Fund to the Individual Income Tax Withholding Fund upon certification of the~~
35 ~~amount by the Chief Fiscal Officer of the State, for the purpose of making~~
36 ~~moneys available to pay cash rebates to claimants under this subchapter as the~~

Handwritten signature
President of the Senate

Handwritten signature
Senator of the House

1 ~~rebates are filed and approved for payment, but any amounts so loaned shall be~~
2 ~~repaid to the Budget Stabilization Trust Fund from the moneys first credited~~
3 ~~to the Individual Income Tax Withholding Fund during the month next following~~
4 ~~the month in which the loan was made.~~

5 ~~(2) All loans and repayment thereof shall be by transfers upon~~
6 ~~the books of the Treasurer of State upon certification of the amounts by the~~
7 ~~Chief Fiscal Officer of the State.~~

8

9 SECTION 8. Arkansas Code 26-52-302 is amended to read as follows:

10 26-52-302. Additional taxes levied.

11 (a) In addition to the excise tax levied upon the gross proceeds or
12 gross receipts derived from all sales by the Arkansas Gross Receipts Act, §
13 26-52-101 et seq., there is levied an excise tax of one percent (1%) upon all
14 taxable sales of property and services subject to the tax levied in that act.
15 This tax shall be collected, reported, and paid in the same manner and at the
16 same time as is prescribed by law for the collection, reporting, and payment
17 of all other Arkansas gross receipts taxes. In computing gross receipts or
18 gross proceeds as defined in § 26-52-103(a)(4), a deduction shall be allowed
19 for bad debts resulting from the sale of tangible personal property.

20 (b) In addition to the excise tax levied upon the gross proceeds or
21 gross receipts derived from all sales by the Arkansas Gross Receipts Act, §
22 26-52-101 et seq., there is hereby levied an excise tax of one-half of one
23 percent (.5%) upon all taxable sales of property and services subject to the
24 tax levied in that act, and such tax shall be collected, reported, and paid in
25 the same manner and at the same time as is prescribed by law for the
26 collection, reporting, and payment of all other Arkansas gross receipts taxes.
27 Provided that, in computing gross receipts or gross proceeds as defined in §
28 26-52-103(a)(4), a deduction shall be allowed for bad debts resulting from the
29 sale of tangible personal property.

30 ~~(c)(1) [Effective January 1, 2001, if the following contingencies are~~
31 ~~met: (a) The General Assembly refers a constitutional amendment to be approved~~
32 ~~during the 2000 general election; (b) The amendment provides for a limitation~~
33 ~~on the increase in the assessed value of real property after a county wide~~
34 ~~reappraisal; and (c) the amendment is approved.] Beginning January 1, 2001,~~
35 ~~there is hereby levied an additional excise tax of one half of one percent~~
36 ~~(0.50%) upon all taxable sales of property and services subject to the tax~~

President of the Senate

Robert Williams

1 levied by the Arkansas Gross Receipts Act of 1941, as amended, § 26-52-101 et
2 seq.—

3 ~~(2) The tax shall be collected, reported, and paid in the same~~
4 ~~manner and at the same time as is prescribed by the Arkansas Gross Receipts~~
5 ~~Act of 1941, as amended, § 26-52-101 et seq., for the collection, reporting,~~
6 ~~and payment of Arkansas gross receipts taxes.~~

7 (c)(1) Beginning January 1, 2001, there is hereby levied an additional
8 excise tax of one-half of one percent (0.50%) upon all taxable sales of
9 property and services subject to the tax levied by the Arkansas Gross Receipts
10 Act of 1941, as amended, § 26-52-101 et seq.

11 (2) The tax shall be collected, reported, and paid in the same
12 manner and at the same time as is prescribed by the Arkansas Gross Receipts
13 Act of 1941, as amended, § 26-52-101 et seq., for the collection, reporting,
14 and payment of Arkansas gross receipts taxes.

15
16 SECTION 9. Arkansas Code 26-53-107 is amended to read as follows:

17 26-53-107. Additional taxes levied.

18 (a) In addition to the excise tax levied upon the privilege of storing,
19 using, distributing, or consuming tangible personal property within this state
20 by the Arkansas Compensating Tax Act, § 26-53-101 et seq., there is levied an
21 excise tax of one percent (1%) upon all tangible personal property subject to
22 the tax levied in that act, and the tax shall be collected, reported, and paid
23 in the same manner and at the same time as is prescribed by law for the
24 collection, reporting, and payment of state compensating taxes.

25 (b) In addition to the excise tax levied upon the privilege of storing,
26 using, distributing, or consuming tangible personal property within the state
27 by the Arkansas Compensating Tax Act, § 26-53-101 et seq., there is hereby
28 levied an excise tax of one-half of one percent (0.50%) upon all tangible
29 personal property subject to the tax levied in that act, and such tax shall be
30 collected, reported, and paid in the same manner and at the same time as is
31 prescribed by law for the collection, reporting, and payment of Arkansas
32 compensating taxes.

33 ~~(c)(1) [Effective January 1, 2001, if the following contingencies are~~
34 ~~met: (a) The General Assembly refers a constitutional amendment to be approved~~
35 ~~during the 2000 general election; (b) The amendment provides for a limitation~~
36 ~~in the increase in the assessed value of real property after a county wide~~

Richard Crisp
President of the Senate

Robert W. Williams
Speaker of the House

1 reappraisal; and (c) ~~The amendment is approved.~~ Beginning January 1, 2001,
2 there is hereby levied an additional excise tax of one half of one percent
3 (0.50%) upon all tangible personal property subject to the tax levied by the
4 Arkansas Compensating Tax Act of 1949, as amended, § 26-53-101 et seq.

5 ~~(2) The tax shall be collected, reported, and paid in the same~~
6 ~~manner and at the same time as is prescribed by the Arkansas Compensating Act~~
7 ~~of 1949, as amended, § 26-53-101 et seq., for the collection, reporting, and~~
8 ~~payment of Arkansas compensating taxes.~~

9 (c)(1) Beginning January 1, 2001, there is hereby levied an additional
10 excise tax of one-half of one percent (0.50%) upon all tangible personal
11 property subject to the tax levied by the Arkansas Compensating Tax Act of
12 1949, as amended, § 26-53-101 et seq.

13 (2) The tax shall be collected, reported, and paid in the same
14 manner and at the same time as is prescribed by the Arkansas Compensating Tax
15 Act of 1949, as amended, § 26-53-101 et seq., for the collection, reporting,
16 and payment of Arkansas compensating taxes.

17
18 SECTION 10. [THE ARKANSAS CODE REVISION COMMISSION IS NOT REQUIRED TO
19 CODIFY THIS SECTION.] Effective date. The provisions of Section 7 shall
20 become effective January 1, 2002. Claims for refund may be filed in 2001
21 pursuant to Arkansas Code 26-51-601 through 26-51-608 for property taxes paid
22 during calendar year 2000 for property assessed in calendar year 1999.

23
24 SECTION 11. EMERGENCY CLAUSE. It is found and determined by the
25 General Assembly of the State of Arkansas that Amendment 79 to the Arkansas
26 Constitution requires the General Assembly to provide for a property tax
27 credit of not less than \$300 for each homestead; that providing such a
28 property tax credit results in a significant reduction in revenues for funding
29 county services and public schools; that without an alternative source of
30 funding counties and public schools cannot operate effectively; that an
31 increase in the state sales and use tax provides a source of funding for
32 counties and public schools; that this act will accomplish the purposes of
33 Amendment 79 in providing a property tax credit and source of funding. It is
34 necessary that this act become effective immediately in order to facilitate
35 the administration of the property tax credit and to generate sufficient
36 revenues to fully fund the credit. Therefore, an emergency is declared to

Richard L. ...
President of the Senate

Robert ...

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exist and Sections 1, 2, 3, 4, 5, 6, 8 and 9 of this act being immediately necessary for the preservation of the public peace, health and safety shall become effective on the date of its approval by the Governor. If the bill is neither approved nor vetoed by the Governor, it shall become effective on the expiration of the period of time during which the Governor may veto the bill. If the bill is vetoed by the Governor and the veto is overridden, it shall become effective on the date the last house overrides the veto.

Richard L. ...
President of the Senate

APPROVED *Mike Huckabee*
12-15-08 GOVERNOR

Don M. Bishop

Robert Williams

1 State of Arkansas
2 82nd General Assembly
3 Second Extraordinary Session, 2000
4

As Engrossed: S12/14/00

Call Item 4

A Bill

SENATE BILL 2

ACT 3 of 2000

5 By: Senators Beebe, Bradford, Russ, *Canada, Fitch, Gwatney, Hill, Hunter, D. Malone, Hoofman,*
6 *Argue, Brown, Mahony*

7 By: Representatives Broadway, B. Johnson, P. Malone, *Bookout, Bush, Cook, Faris, Glover, J. Jeffress,*
8 *Laverty, Luker, Madison, Rodgers, Wilkinson, S. Jones, Parks, Hausam, Teague, French, Hathorn, Bond,*
9 *Horn, Milum, Biggs, Prater, T. Smith, Morris, Elliott, Minton*

For An Act To Be Entitled

10
11
12 AN ACT TO MAKE AN APPROPRIATION FOR THE GOVERNOR'S
13 SCHOLAR'S AND ACADEMIC CHALLENGE SCHOLARSHIP PROGRAMS
14 FOR THE DEPARTMENT OF HIGHER EDUCATION WHICH SHALL BE
15 SUPPLEMENTAL AND IN ADDITION TO THOSE FUNDS
16 APPROPRIATED BY ACT 1180 OF 1999; AND FOR OTHER
17 PURPOSES.
18

Subtitle

19
20
21 AN ACT FOR THE DEPARTMENT OF HIGHER
22 EDUCATION - GOVERNOR'S SCHOLARS AND
23 ACADEMIC CHALLENGE SCHOLARSHIP PROGRAMS
24 SUPPLEMENTAL APPROPRIATION.
25
26
27

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

29
30 SECTION 1. APPROPRIATION - GOVERNOR'S SCHOLARS AND ACADEMIC CHALLENGE
31 SCHOLARSHIP PROGRAMS. There is hereby appropriated, to the Department of
32 Higher Education, to be payable from the Higher Education Grants Fund Account,
33 for providing student assistance grants and scholarships as provided by law by
34 the Department of Higher Education which shall be supplemental and in addition
35 to those funds appropriated in Section 6 of Act 1180 of 1999, the following:
36



President of the Senate

Speaker of the House

ITEM	FISCAL YEAR
NO.	2000-2001
(01) GOVERNOR'S SCHOLARS PROGRAM AWARDS	\$ 2,000,000
(02) ACADEMIC CHALLENGE SCHOLARSHIPS	<u>11,800,000</u>
TOTAL AMOUNT APPROPRIATED	<u>\$ 13,800,000</u>

SECTION 2. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUNDING TRANSFER. Immediately upon the effective date of this act, the Chief Fiscal Officer of the State shall transfer on his books and those of the State Treasurer the sum of thirteen million eight hundred thousand dollars (\$13,800,000) from the General Revenue Allotment Reserve Fund to the Higher Education Grants Fund Account to provide funds for student assistance grants and scholarships.

SECTION 3. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized by this act shall be limited to the appropriation for such agency and funds made available by law for the support of such appropriations; and the restrictions of the State Purchasing Law, the General Accounting and Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary Procedures and Restrictions Act, or their successors, and other fiscal control laws of this State, where applicable, and regulations promulgated by the Department of Finance and Administration, as authorized by law, shall be strictly complied with in disbursement of said funds.

SECTION 4. LEGISLATIVE INTENT. It is the intent of the General Assembly that any funds disbursed under the authority of the appropriations contained in this act shall be in compliance with the stated reasons for which this act was adopted, as evidenced by the Agency Requests, Executive Recommendations and Legislative Recommendations contained in the budget manuals prepared by the Department of Finance and Administration, letters, or summarized oral testimony in the official minutes of the Arkansas Legislative Council or Joint Budget Committee which relate to its passage and adoption.

SECTION 5. EMERGENCY CLAUSE. It is found and determined by the General Assembly meeting in extraordinary session, that funds provided by the General

[Signature]
 President of the Senate

[Signature]
 Speaker of the House

1 Assembly for the operations of the Department of Higher Education are, due to
 2 unforeseen circumstances, insufficient for the Department of Higher Education
 3 to continue to provide essential governmental services; that the provisions of
 4 this act will provide the necessary monies for the Department of Higher
 5 Education to continue such services; that the General Assembly made a
 6 commitment to over 11,000 students enrolled in Arkansas institutions of higher
 7 education, that the state would assist them in meeting expenses in attending
 8 higher education institutions through scholarship programs; that the number
 9 that would take advantage of the scholarships was seriously underestimated and
 10 that without additional support, many of these students will be unable to
 11 continue their education; and that a delay in the effective date of this Act
 12 could work irreparable harm upon the proper administration and provision of
 13 essential governmental programs. Therefore, an emergency is hereby declared to
 14 exist and this Act being necessary for the immediate preservation of the
 15 public peace, health and safety shall be in full force and effect from and
 16 after the date of its passage and approval.

17 If the bill is neither approved nor vetoed by the Governor, it shall become
 18 effective on the expiration of the period of time during which the Governor
 19 may veto the bill. If the bill is vetoed by the Governor and the veto is
 20 overridden, it shall become effective on the date the last house overrides the
 21 veto.

/s/ Beebe

APPROVED Mike Huckabee
 12-15-00 GOVERNOR

*Robert Win...
 President of the Senate*

*Robert Win...
 President of the Senate*

STATE OF ARKANSAS
EXECUTIVE DEPARTMENT

PROCLAMATION

AMENDED

TO ALL TO WHOM THESE PRESENTS SHALL COME - GREETINGS:

WHEREAS, an extraordinary occasion has arisen making it necessary to convene the 82nd General Assembly into extraordinary session; and

WHEREAS, there is an immediate and pressing need to establish procedures and accounts for managing the State's share of funds to be distributed pursuant to the Master Settlement Agreement between various states and certain tobacco manufacturers; and

WHEREAS, the establishment of certain funds and accounts outside the State treasury is desirable for maximizing the benefits to the citizens of the State and keeping the Tobacco Settlement segregated and dedicated only to the uses set forth in law; and

WHEREAS, the Tobacco Settlement should be spent only on programs and projects that directly relate to the health of the people of the state and that such projects and programs must be established in law; and

WHEREAS, in addition to specified programs and projects, a fund to be known as the "Arkansas Healthy Century Trust Fund" is to be established and is intended as a true public trust to be invested and managed and held for future generations of Arkansans;

NOW, THEREFORE, I, Mike Huckabee, Governor of the State of Arkansas, by virtue of the power and authority vested in me by the Constitution of this State, Article VI, Section 19, do hereby call an Extraordinary Session of the General Assembly to convene at the seat of government in the State Capitol on April 3, 2000 at 11:30 a.m., and I do hereby specify that the General Assembly is convened to consider, and, if so advised, enact laws for the following purposes:

1. To appropriate funds to pay the expenses and per diem of this Extraordinary Session of the General Assembly for the Senate, the House of Representatives, and the Office of the Governor.
2. To consider a resolution for the purpose of calling a joint session of the House and Senate on the opening day of the extraordinary session and for the purpose of hearing an address by the Honorable Mike Huckabee, Governor of the State of Arkansas, at that time.
3. To authorize the method of distributing the proceeds of the Master Settlement Agreement between the State of Arkansas and participating Tobacco manufacturers by passage of legislation to be known as the "Arkansas Tobacco Settlement Funds Act of 2000".

16. To establish an "Arkansas Tobacco Settlement Commission" to perform such duties as prescribed in law and to insure effective monitoring and evaluation of the programs created by the "Arkansas Tobacco Settlement Funds Act of 2000".


17. To provide accountability of the tobacco settlement funds by establishing specific monitoring and evaluation activities as directed by the "Arkansas Tobacco Settlement Commission".

18. To insure that all programs created by the "Arkansas Tobacco Settlement Funds Act of 2000" shall be subject to fiscal control, accounting, budgetary and purchasing laws of the state and that the Chief Fiscal Officer of the State may require additional controls, procedures and reporting requirements necessary to carry out the intent of the law.

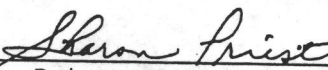
19. To implement a Medicaid Expansion Program with such existing funds unobligated appropriation as may be available during the biennial period ending June 30, 2001.

20. To establish a policy of "No Smoking" in the State Capitol building.

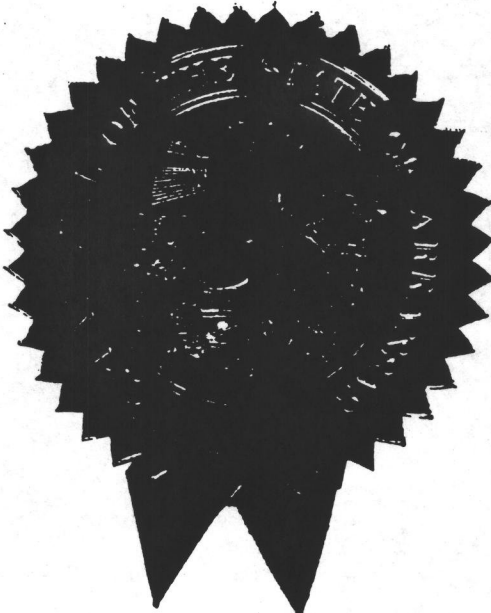
IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Arkansas to be affixed at the State Capitol in Little Rock on this 3rd day of April in the year of our Lord 2000.



Mike Huckabee, Governor



Sharon Priest, Secretary of State



Stricken language would be deleted from and underlined language would be added to present law.

1 State of Arkansas
2 82nd General Assembly
3 First Extraordinary Session, 2000
4

A Bill

Call Item 1
Act 1 of 2000
SENATE BILL 1

5 By: Senate Efficiency
6
7

For An Act To Be Entitled

9 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
10 AND OPERATING EXPENSES FOR THE ARKANSAS SENATE WHICH
11 SHALL BE SUPPLEMENTAL AND IN ADDITION TO THOSE FUNDS
12 APPROPRIATED BY ACT 1 OF 1999 AND ACT 234 OF 1999; AND
13 FOR OTHER PURPOSES.
14

Subtitle

15 AN ACT FOR THE ARKANSAS SENATE
16 SUPPLEMENTAL APPROPRIATION.
17
18
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. APPROPRIATION. There is hereby appropriated, to the Arkansas
23 Senate, to be payable from the Constitutional Officers Fund, for personal
24 services and operating expenses of the Arkansas Senate which shall be
25 supplemental and in addition to those funds appropriated in Section 1 of Act 1
26 of 1999 and in Section 6 of Act 234 of 1999, for the remainder of the biennial
27 period ending June, 30 2001, the following:

28 (1) Personal Services and Operating Expenses, the sum of\$150,000.
29

30 SECTION 2. EMERGENCY CLAUSE. It is hereby found and determined by the
31 Eighty-second General Assembly, meeting in extraordinary session, that funds
32 provided by the General Assembly for the operations of the Arkansas Senate
33 are, due to the calling by the Governor of an extraordinary session,
34 insufficient for the Arkansas Senate to continue to provide essential
35 governmental services; that the provisions of this act will provide the
36 necessary monies for the Arkansas Senate to continue such services; and that a



1 delay in the effective date of this Act could work irreparable harm upon the
2 proper administration and provision of essential governmental programs.
3 Therefore, an emergency is hereby declared to exist and this Act being
4 necessary for the immediate preservation of the public peace, health and
5 safety shall be in full force and effect from and after the date of its
6 passage and approval.

7 If the bill is neither approved nor vetoed by the Governor, it shall become
8 effective on the expiration of the period of time during which the Governor
9 may veto the bill. If the bill is vetoed by the Governor and the veto is
10 overridden, it shall become effective on the date the last house overrides the
11 veto.

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14 APPROVED: 4/7/2000
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Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 First Extraordinary Session, 2000
4

A Bill

Call Item 1
Act 2 of 2000
HOUSE BILL 1001

5 By: House Management
6
7

For An Act To Be Entitled

9 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
10 AND OPERATING EXPENSES FOR THE ARKANSAS HOUSE OF
11 REPRESENTATIVES WHICH SHALL BE SUPPLEMENTAL AND IN
12 ADDITION TO THOSE FUNDS APPROPRIATED BY ACT 2 OF 1999
13 AND ACT 177 OF 1999; AND FOR OTHER PURPOSES.
14

Subtitle

15 AN ACT FOR THE ARKANSAS HOUSE OF
16 REPRESENTATIVES SUPPLEMENTAL
17 APPROPRIATION.
18
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20

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

23 SECTION 1. APPROPRIATION. There is hereby appropriated, to the Arkansas
24 House of Representatives, to be payable from the Constitutional Officers Fund,
25 for personal services and operating expenses of the Arkansas House of
26 Representatives which shall be supplemental and in addition to those funds
27 appropriated in Section 1 of Act 2 of 1999 and Section 5 of Act 177 of 1999,
28 for the remainder of the biennial period ending June 30, 2001, the following:
29 (1) Personal Services and Operating Expenses, the sum of\$200,000.
30

31 SECTION 2. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized by
32 this act shall be limited to the appropriation for such agency and funds made
33 available by law for the support of such appropriations; and the restrictions
34 of the State Purchasing Law, the General Accounting and Budgetary Procedures
35 Law, the Revenue Stabilization Law, the Regular Salary Procedures and
36 Restrictions Act, or their successors, and other fiscal control laws of this



1 State, where applicable, and regulations promulgated by the Department of
2 Finance and Administration, as authorized by law, shall be strictly complied
3 with in disbursement of said funds.
4

5 SECTION 3. EMERGENCY CLAUSE. It is hereby found and determined by the
6 Eighty-second General Assembly, meeting in extraordinary session, that funds
7 provided by the General Assembly for the operations of the Arkansas House of
8 Representatives are, due to the call of the governor for a convening of an
9 extraordinary session, insufficient for the Arkansas House of Representatives
10 to continue to provide essential governmental services; that the provisions of
11 this act will provide the necessary monies for the Arkansas House of
12 Representatives to continue such services; and that a delay in the effective
13 date of this Act could work irreparable harm upon the proper administration
14 and provision of essential governmental programs. Therefore, an emergency is
15 hereby declared to exist and this Act being necessary for the immediate
16 preservation of the public peace, health and safety shall be in full force and
17 effect from and after the date of its passage and approval. If the bill is
18 neither approved nor vetoed by the Governor, it shall become effective on the
19 expiration of the period of time during which the Governor may veto the bill.
20 If the bill is vetoed by the Governor and the veto is overridden, it shall
21 become effective on the date the last house overrides the veto.
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APPROVED: 4/7/2000

Stricken language would be deleted from and underlined language would be added to present law.

1 State of Arkansas Call Item 20As Engrossed: S4/4/00

2 82nd General Assembly

A Bill

Act 3 of 2000

3 First Extraordinary Session, 2000

SENATE BILL 4

4

5 By: Public Health, Welfare And Labor Committee - Senate

6 By: Representatives Courtway, Parks, Simon, M. Smith, Green, Dees, Laverty, Hausam, Lynn, Haak

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For An Act To Be Entitled

10

AN ACT TO PROHIBIT SMOKING IN THE STATE CAPITOL
BUILDING; AND FOR OTHER PURPOSES.

11

12

13

Subtitle

14

TO PROHIBIT SMOKING IN THE STATE CAPITOL
BUILDING.

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

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SECTION 1. Arkansas Code 22-3-220 is amended to read as follows:

21

22-3-220. Smoking in State Capitol Building prohibited.

22

23

Any person smoking any cigarette, cigar, pipe, or other tobacco product
in the ~~rotunda of the State Capitol Building or in the Governor's Conference~~
~~Room, the Old Supreme Court Room, or the cafeteria in the State Capitol~~
Building shall be guilty of a misdemeanor punishable by a fine of twenty-five
dollars (\$25.00).

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SECTION 2. EMERGENCY CLAUSE. It is hereby found and determined by the

29

Eighty-second General Assembly that second-hand smoke is a detriment to the

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health of people who work in and visit the State Capitol Building as well as

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damaging to the building, its displays, and other contents; that this act will

32

prohibit smoking in the State Capitol Building; and that this act should

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become effective as soon as possible in order to protect the health of people

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who work in and visit the State Capitol Building. Therefore, an emergency is

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declared to exist and this act being immediately necessary for the

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preservation of the public peace, health and safety shall become effective on



1 the date of its approval by the Governor. If the bill is neither approved nor
2 vetoed by the Governor, it shall become effective on the expiration of the
3 period of time during which the Governor may veto the bill. If the bill is
4 vetoed by the Governor and the veto is overridden, it shall become effective
5 on the date the last house overrides the veto.

6 /s/ Russ

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9 APPROVED: 4/11/2000
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