

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

State of Arkansas  
90th General Assembly  
Regular Session, 2015

As Engrossed: H3/9/15  
**A Bill**

HOUSE BILL 1423

By: Representative Bell

### For An Act To Be Entitled

AN ACT CONCERNING PUNITIVE DAMAGES AWARDS; TO ALLOCATE A PORTION OF PUNITIVE DAMAGES AWARDS TO THE STATE; TO CREATE THE TAX RELIEF FUND; AND FOR OTHER PURPOSES.

### Subtitle

TO ALLOCATE A PORTION OF PUNITIVE DAMAGES AWARDS TO THE STATE; AND TO CREATE THE TAX RELIEF FUND.

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

SECTION 1. Arkansas Code Title 16, Chapter 65, Subchapter 1, is amended to add an additional section to read as follows:

16-65-123. Judgments for punitive damages.

(a) If punitive damages are awarded in a case, the court shall enter judgment as follows:

(1) Judgment in favor of the state in an amount equal to seventy-five percent 75% of the punitive damages award; and

(2) Judgment in favor of the injured party in an amount equal to twenty-five percent (25%) of the punitive damages award.

(b)(1) The party against whom judgment was entered shall pay the punitive damages award to the clerk of the court where the judgment was entered.

(2) Upon receiving payment of the punitive damages award, the clerk of the court shall:

(A) Pay the injured party his or her share; and



(B) Pay the state's share to the Treasurer of State, who shall deposit the funds into the Tax Relief Fund.

(c) Any attorney's fees awarded in the case shall be based solely on the injured party's share of the punitive damages award.

SECTION 2. Arkansas Code Title 19, Chapter 5, Subchapter 12, is amended to add an additional section to read as follows:

19-5-1255. Tax Relief Fund.

(a) There is created on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State a miscellaneous fund to be known as the "Tax Relief Fund".

(b) The fund shall consist of:

(1) Funds deposited under § 16-65-123; and

(2) Any other funds authorized or provided by law.

(c) Moneys in the fund shall be used by the Treasurer of State as directed by the General Assembly, to be deposited *and credited to the General Revenue Fund Account of the State Apportionment Fund to be distributed as general revenue* to offset the cost of tax relief measures, fee reductions, and tax refunds.

*/s/Bell*