

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

State of Arkansas
92nd General Assembly
Regular Session, 2019

As Engrossed: H3/13/19
A Bill

HOUSE BILL 1604

By: Representative Della Rosa

For An Act To Be Entitled

AN ACT TO AMEND THE AVAILABLE PROPERTY TAX EXEMPTIONS; TO PROVIDE FOR A PROPERTY TAX EXEMPTION FOR CERTAIN DISABLED OR DECEASED LAW ENFORCEMENT OFFICERS AND FIREFIGHTERS AND THEIR SURVIVING SPOUSES AND CHILDREN; AND FOR OTHER PURPOSES.

Subtitle

TO PROVIDE FOR A PROPERTY TAX EXEMPTION FOR CERTAIN DISABLED OR DECEASED LAW ENFORCEMENT OFFICERS AND FIREFIGHTERS AND THEIR SURVIVING SPOUSES AND CHILDREN.

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

SECTION 1. Arkansas Code § 26-3-306 is amended to read as follows:

26-3-306. Disabled veterans, law enforcement officers, firefighters, surviving spouses, and minor dependent children – ~~Definition~~ Definitions.

(a)(1)(A)(i) A disabled veteran, ~~who has been awarded special monthly compensation by the Department of Veterans Affairs for the loss of, or the loss of use of, one (1) or more limbs, for total blindness in one (1) or both eyes, or for service-connected one hundred percent (100%) total and permanent disability shall be~~ a disabled law enforcement officer, or a disabled firefighter is exempt from payment of all ~~state~~ taxes on the homestead, as defined in § 26-26-1122, and personal property owned by the disabled veteran, the disabled law enforcement officer, or the disabled firefighter.

(ii)(a) If a disabled veteran, a disabled law enforcement officer, or a disabled firefighter sells his or her home, the



exemption shall be prorated to the date of sale so that the disabled veteran, the disabled law enforcement officer, or the disabled firefighter owes no tax for the portion of the year he or she claimed the home as a homestead, and the purchaser is liable only for taxes relating to the balance of the year.

(b) If a disabled veteran, a disabled law enforcement officer, or a disabled firefighter purchases a home that qualifies as a homestead, the exemption shall be prorated to the date of sale so that the disabled veteran, the disabled law enforcement officer, or the disabled firefighter owes no tax for the portion of the year he or she claimed the home as a homestead, and the seller is liable only for the taxes relating to the balance of the year.

(c) Upon request by the disabled veteran, the disabled law enforcement officer, or the disabled firefighter, the county collector shall make ~~such~~ record entries as may be necessary to effect the proration.

(B)(i) Upon the death of ~~the~~ a disabled veteran, a disabled law enforcement officer, or a disabled firefighter, the surviving spouse and minor dependent children of the disabled veteran, ~~shall be the disabled law enforcement officer, or the disabled firefighter~~ are exempt from payment of all state taxes on the homestead and personal property owned by the surviving spouse and minor dependent children of the deceased disabled veteran, the deceased disabled law enforcement officer, or the deceased disabled firefighter.

(ii) ~~The surviving spouse and minor dependent children of a member of the United States Armed Forces who was killed while within the scope of his or her military duties, who died while within the scope of his or her military duties, or who is missing in action and the surviving spouse and minor dependent children of a veteran who died from service-connected causes, as certified by the department, shall also be the following are~~ exempt from payment of all state taxes on the homestead and personal property owned by the surviving spouse and minor dependent children:

(a) A member of the United States Armed Forces who is missing in action or who was killed or who died while within the scope of his or her military duties;

(b) A veteran who died from service-connected causes, as certified by the United States Department of Veterans Affairs; and

(c) A law enforcement officer or a firefighter who was killed or who died while acting within the course and scope of his or her official duties.

(iii)(a) The surviving spouse ~~shall be~~ is entitled to the exemption provided for in this section so long as the surviving spouse remains unmarried.

(b) The surviving spouse's exemptions provided for in this section are reinstated upon the termination of the surviving spouse's subsequent marriage.

(iv) A surviving spouse of a member of the United States Armed Forces who died while on active duty ~~shall be~~ is eligible for reinstatement of the homestead and personal property tax exemption upon termination of a subsequent marriage and until the surviving spouse remarries.

(v) The exemption provided in this section for surviving minor dependent children ~~shall be~~ is available to the surviving children during their minority.

(2) As used in this section, ~~“personal:~~

(A) “Disabled firefighter” means a firefighter who is totally and permanently physically disabled as the result of an injury sustained within the course and scope of his or her official duties as a firefighter;

(B) “Disabled law enforcement officer” means a law enforcement officer who is totally and permanently physically disabled as the result of an injury sustained within the course and scope of his or her official duties as a law enforcement officer;

(C) “Disabled veteran” means a veteran who has been awarded special monthly compensation by the United States Department of Veterans Affairs for the loss of or the loss of use of one (1) or more limbs, for total blindness in one (1) or both eyes, or for service-connected one hundred percent (100%) total and permanent disability;

(D) “Firefighter” means a member of a fire department or firefighting unit of a city of the first class, a city of the second class, a town, or an unincorporated rural area of this state who actively engages in fire suppression, rescue, pump operation, or other firefighting activity on a paid basis;

(E) "Law enforcement agency" means a police force or organization that has as its primary responsibility, as established by statute or ordinance, the enforcement of state or local criminal, traffic, or highway laws;

(F) "Law enforcement officer" means an appointed or elected law enforcement officer who is responsible for the prevention and detection of crime and the enforcement of state or local criminal, traffic, or highway laws; and

(G) "Personal property" means only those items of tangible personal property used for other than a commercial or business purpose.

(b)(1)(A) A disabled veteran eligible for the exemption provided for in this section and desiring to claim an exemption shall furnish to the county collector a letter from the department verifying the fact that the disabled veteran is in receipt of special monthly compensation for the loss of or the loss of use of one (1) or more limbs, total blindness in one (1) or both eyes, or for service-connected one hundred percent (100%) total and permanent disability.

~~(B)(i)~~ A surviving spouse or minor dependent child of a deceased disabled veteran desiring to claim the exemption provided in this section shall furnish the county collector a letter from the department verifying the fact that the deceased disabled veteran was at the time of death entitled to receive a special monthly compensation for the loss of or the loss of use of one (1) or more limbs, total blindness in one (1) or both eyes, or for service-connected one hundred percent (100%) total and permanent disability.

(C) A disabled law enforcement officer or a disabled firefighter eligible for the exemption provided for in this section and desiring to claim an exemption shall furnish to the county collector a letter from the Arkansas Public Employees' Retirement System, the State Police Retirement System, the Arkansas State Highway Employees' Retirement System, the Arkansas State Police Commission, or the Arkansas Local Police and Fire Retirement System verifying the fact that the taxpayer is a disabled law enforcement officer or a disabled firefighter.

(D) A surviving spouse or minor dependent child of a deceased disabled law enforcement officer or a deceased disabled firefighter desiring to claim the exemption provided in this section shall furnish the

county collector a letter from the Arkansas Public Employees Retirement System, the State Police Retirement System, the Arkansas State Highway Employees' Retirement System, the Arkansas State Police Commission, or the Arkansas Local Police and Fire Retirement System verifying that the deceased disabled law enforcement officer or the deceased disabled firefighter was at the time of death a disabled law enforcement officer or a disabled firefighter.

~~(ii)~~ (E) In addition to the requirements in ~~subdivision (b)(1)(B)(i) of this section~~ this subsection, the surviving spouse or minor dependent child of ~~the~~ a ~~deceased disabled veteran, a deceased disabled law enforcement officer, or a deceased disabled firefighter~~ shall furnish the county collector with an affidavit signed by the surviving spouse or minor dependent child stating that the surviving spouse or minor dependent child is a surviving spouse or minor dependent child of the named ~~deceased disabled veteran, the named deceased disabled law enforcement officer, or the named deceased disabled firefighter.~~

(2)(A) The surviving spouse or minor dependent children of a member of the United States Armed Forces who was killed while within the scope of his or her military duties, who died while within the scope of his or her military duties, or who is missing in action, or a surviving spouse or minor dependent children of a veteran who died of service-connected causes, as certified by the department, desiring to claim the exemption provided in this section shall furnish the county collector a letter from the department certifying the fact that ~~such a~~ the member of the United States Armed Forces is missing in action, was killed while within the scope of his or her military duties, or died while within the scope of his or her military duties or that the veteran died from service-connected causes and the surviving spouse is or would be entitled to department benefits in the form of death indemnity compensation if the surviving spouse were otherwise eligible to receive the department benefits.

(B) The surviving spouse or minor dependent children of a law enforcement officer or a firefighter who was killed or who died while acting within the course and scope of his or her official duties desiring to claim the exemption provided in this section shall furnish the county collector a letter from the Arkansas Public Employees' Retirement System, the State Police Retirement System, the Arkansas State Highway Employees'

Retirement System, the Arkansas State Police Commission, or the Arkansas Local Police and Fire Retirement System certifying that the law enforcement officer or the firefighter was killed or died while acting within the course and scope of his or her official duties and the surviving spouse is entitled to death benefits from the law enforcement agency, fire department, or firefighting unit.

~~(B)~~ (C) In addition, the surviving spouse or minor dependent child shall furnish the county collector with an affidavit signed by the surviving spouse or minor dependent child or the surviving spouse or minor dependent child's guardian stating that the surviving spouse or minor dependent child is a surviving spouse or minor dependent child of ~~the~~ one (1) of the following:

(i) A member of the United States Armed Forces who is missing in action, who was killed while within the scope of his or her military duties, or who died while within the scope of his or her military duties ~~or is the surviving spouse or minor dependent child of a;~~

(ii) A veteran who died of service-connected causes, as certified by the department; or

(iii) A law enforcement officer or a firefighter who was killed or who died while acting within the course and scope of his or her official duties.

(c) Only a disabled veteran, a disabled law enforcement officer, a disabled firefighter, and a surviving spouse and minor dependent child of a disabled veteran, a disabled law enforcement officer, or a disabled firefighter, who are citizens and residents of the State of Arkansas ~~shall be~~ are eligible for the exemption provided in this section.

(d) ~~Any~~ A person evading or violating any provision of this section or attempting to secure benefits under this section to which he or she is not entitled ~~shall be~~ is guilty of a violation and upon conviction shall be fined ~~in any sum not less than one hundred dollars (\$100) nor more than one thousand dollars (\$1,000)~~ one hundred percent (100%) of the amount of the unlawfully claimed property tax exemption.

(e) A person claiming the property tax exemption authorized by this section ~~shall not be~~ is not entitled to claim the property tax credit authorized in § 26-26-1118.

(f)(1) If a person has established eligibility for the property tax

exemption created under this section, the person ~~shall be~~ is exempt from the date the person's eligibility is established regardless of the date the lien for the property taxes attached.

(2) After a person has established eligibility for the property tax exemption created under this section, the person is exempt from property taxes on his or her homestead regardless of where the homestead is located in ~~the~~ this state.

(3) Upon request by a county in which a person eligible for the property tax exemption created under this section is claiming an exemption for his or her homestead, a county collector shall provide the information or documentation necessary to demonstrate that the person established eligibility for the exemption created under this section in a county in which the person previously claimed a homestead.

SECTION 2. EFFECTIVE DATE. This act is effective for assessment years beginning on and after January 1, 2019.

/s/Della Rosa