

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

State of Arkansas
93rd General Assembly
Regular Session, 2021

As Engrossed: H4/13/21
A Bill

HOUSE BILL 1864

By: Representative Ray
By: Senator T. Garner

For An Act To Be Entitled

AN ACT TO CREATE THE AUTOMATIC TAXPAYER REFUND TRUST FUND AND PROVIDE FOR ITS FUNDING; TO SET THE CONDITIONS UNDER WHICH TAXPAYERS SHALL RECEIVE AUTOMATIC REFUNDS; AND FOR OTHER PURPOSES.

Subtitle

TO CREATE THE AUTOMATIC TAXPAYER REFUND TRUST FUND AND PROVIDE FOR ITS FUNDING; AND TO SET THE CONDITIONS UNDER WHICH TAXPAYERS SHALL RECEIVE AUTOMATIC REFUNDS.

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

SECTION 1. Arkansas Code § 19-5-406 is amended to read as follows:
19-5-406. Transfer of remaining revenues.

(a) After making the maximum annual allocation as provided for in § 19-5-402:

(1) Seventy-five percent (75%) of the remaining general revenues available for distribution during each fiscal year shall be transferred on the last day of business in each calendar month to the General Revenue Allotment Reserve Fund, after meeting the requirements of subsection (b) of this section, there to be used for the respective purposes as provided by law; and

(2) Twenty-five percent (25%) of the remaining general revenues available for distribution during each fiscal year shall be transferred on



the last day of business in each calendar month to the Arkansas Highway Transfer Fund.

(b) As of June 30, 2023, and continuing each subsequent fiscal year, any amount in excess of one hundred million dollars (\$100,000,000) of the total amount transferred in a fiscal year under subdivision (a)(1) of this section shall be transferred to the Automatic Taxpayer Refund Trust Fund as soon as is practicable to be distributed as provided under § 19-5-1155(c).

SECTION 2. Arkansas Code Title 19, Chapter 5, Subchapter 11, is amended to add an additional section to read as follows:

19-5-1155. Automatic Taxpayer Refund Trust 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 trust fund to be known as the "Automatic Taxpayer Refund Trust Fund".

(b) The fund shall consist of:

(1) Revenues as stated in § 19-5-406(b); and

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

(c) The moneys in the fund shall be used to distribute refunds as calculated under subsection (d) of this section to taxpayers who:

(1) Have filed a resident individual income tax return for the most recent two (2) tax years; and

(2) Have paid tax to the state during the previous taxable year.

(d) If the Chief Fiscal Officer of the State determines that the balance in the fund exceeds one hundred million dollars (\$100,000,000), then a refund of all the moneys in the fund shall be made to taxpayers who meet the qualifications stated under subsection (c) of this section in an amount equal to each taxpayer's proportionate share of the total income tax liability paid by all qualifying taxpayers in the preceding year as determined by the Department of Finance and Administration.

/s/Ray