

ACTS of the 85th General Assembly

Summaries of property assessment or taxation related Acts adopted in Arkansas' 85th General Assembly follow. The Acts are listed by number followed by the bill number, name of the lead sponsor and a brief explanation of its effect. The effective date of each Act is final item displayed.

NOTE: Except where otherwise provided by an Emergency Clause or later date specified, Acts become effective 90 days after adjournment of the General Assembly. Acts shown with effective dates of August 12, 2005 assume a May 13, 2005 adjournment. If the General Assembly extends their adjournment date beyond May 13th, the effective dates of these Acts will likewise be extended.

Acts can be downloaded at www.arkleg.state.ar.us.

ACT 27 HB 1010 - Edwards - Repeal the EB Summary of Proceedings Published at End of Hearings. Act 27 of 2005 repealed the provision requiring county clerks to publish summaries of the actions taken by equalization boards. ***Effective 8-12-2005.***

ACT 73 HB 1009 - Edwards - Technical Change to When the EB Abstract is Reported. Act 73 of 2005 changed the date for county clerks to file abstracts of assessment with the ACD. The filing date is changed from October 1 to no more than 30 days after the adjournment of the equalization board. ***Effective 8-12-2005.***

ACT 84 HB 1192 - Reep - Concerning Adverse Possession by Exempt Entities. Exempt entities do not have to pay property taxes on a property to claim it by adverse possession. ***Effective 8-12-2005.***

ACT 135 HB 1199 - Rogers, et al - Forgives property tax delinquencies of deployed soldiers. Delinquent tax penalties shall not be assessed against deployed members of the armed forces, armed force reserves or Arkansas National Guard units during their deployment and for up to one year after their deployment ends. ***Effective 8-12-2005.***

ACT 659 HB 1925 - Mack - Property tax credit clean up legislation. Technical changes to the distribution of the Property Tax Relief Fund, making the distribution proportional for the current year claims in each county from the month of April forward. ***Effective 1-1-2006.***

ACT 1242 HB 2662 - Saunders - Provides for an interim study of Amendments 59, 74 & 79. The Constitutional Issues Subcommittee of the Interim House State Agencies and Governmental Affairs Committee and a similar subcommittee of the Interim Senate State Agencies and Governmental Affairs Committee shall study property taxes and the impact of Amendments 59, 74, and 79. The subcommittees shall issue a report no later than October 31, 2006. ***Effective 8-12-2005.***

ACT 1268 HB 2473 - Mack et al - Amendment 79 implementing legislation clean-up. Act 1268 is a technical correction to the Amendment 79 implementing legislation. It's major objective is to define the term "homestead" consistently for the property tax credit as well as assessment increase limitations. Its secondary objective is changing the deadline for homestead owners to apply for the property tax credit from October 31 to October 10. The Act has an emergency clause and is effective immediately. ***Effective 3-29-2005.***

ACT 1275 HB 2682 - Ledbetter - Protects library funds from being used to pay TIF bonds. Act 1275 prohibits the diversion of library property tax proceeds to Tax Increment Finance district improvements. ***Effective 8-12-2005.***

ACT 1281 HB 2937 - Exempts all county property. Act 1281 is a statutory property tax exemption for all county property. The previous statute had limited the exemption to ten acres of land. ***Effective 8-12-2005.***

ACT 1417 HB 2858 - Bond - ACD will adopt CAMA rules no later than July 1, 2005. Act 1417 requires the ACD to adopt rules defining CAMA specifications by July 1, 2005 and further provides that the Department may directly pay CAMA providers in compliance with the ACD rules. The rules will require CAMA providers to comply with the specifications. ***Effective 3-30-2005.***

ACT 1432 HB 1280 - Petrus et al - Value of WRP & CRP Lands for tax purposes. Lands enrolled in the NRCS Wetland Reserves Program or the Department of Agriculture Conservation Reserve Program shall be valued as agricultural, pasture or timber lands for ad valorem tax purposes. ***Effective 8-12-2005.***

ACT 1445 HB 2555 - Mack - Moves reappraisal plan filing date from July 1 to November 1. Act 1445 moves the deadline for filing reappraisal plans with the ACD to November 1 of the year preceding a new reappraisal cycle. ***Effective 8-12-2005.***

ACT 1772 HB 2483 - Sumpter - Changes the ACD Ratio Study report date from August 1 to September 15. The ACD has begun employing more sophisticated ratio study software and techniques. As a result, the Department determined it needed more time to accurately report its findings to the counties and requested that the legislature enact the legislation that is Act 1772. An emergency clause is included in the Act and it takes effect for the ratio study report this year. ***Effective 4-6-2005.***

ACT 1892 SB 473 - Miller - 1% of the property tax credit fund to go to assessors. At the end of each calendar year the unspent amount in the Property Tax Relief Trust Fund will be calculated and 1% of the unspent total shall be proportionally distributed to county assessors to help pay the cost of implementing Amendment 79. Additionally, the Act provides that the Division of Vital Records of the Department of Health will monthly send reports of people who died in the assessor's county. ***Effective 8-12-2005.***

ACT 1933 HB 2454 - Mahony et al - Department of Education will share info with ACD. Upon request of the ACD the Department of Education, State Board of Education or any division of the Board shall share information with the Department. ***Effective 8-12-2005.***

ACT 1947 HB 2832 - Edwards et al - Concerning County Court Hearings. Note: Amendment changed the bill. Changes the date by which the county court must hear property owners' appeals. The date has been moved from the first Monday in November to November 15th. ***Effective 8-12-2005.***

ACT 2090 SB 134 - Joint Budget Committee - Assessment Coordination Department Appropriation. Act 2090, the ACD's appropriation compared to previous bienniums has two unique features: 1) The ACD is given carry-over authority for the portion of its budget funded by the ad valorem fund and as a result will be able to add personnel, and 2) The definition of a "parcel" found in the ACD rules has been incorporated into the law. ***Effective 7-1-2005.***

ACT 2228 HB 2696 - Mack - Changes in Mobile Home assessment laws. Act 2228 changes the person responsible for reporting mobile home sales from the seller to the purchaser. It also repeals ACA 26-26-1106 which required that property owners show proof of assessment of mobile homes by attaching decals given to them by the assessor at the time of assessment. ***Effective 8-12-2005.***

ACT 2231 HB 2735 - McDaniel - Concerning the creation of TIF districts. Act 2231 is a major revision of the original Tax Increment Finance district law. Under the Act the State of Arkansas is declared a "taxing unit", the intent being that the 25 mills uniform rate of tax rate will be included in financing the district improvements. Assessors will be required to determine or report the valuation before creation of the district (see Act 2317 for further clarification). ***Effective 4-13-2005.***

ACT 2259 HB 2933 - Bradford - Annual reval bill, AMENDMENT ADDS MACK AS LEAD & CHANGES CALCULATION FOR 3 VS. 5 YEAR CYCLE. Act 2259 changes the beginning point for calculating growth to determine whether a county will be appraised over a three year cycle or a five year cycle. Beginning in 2005, the growth will be calculated from the year before the beginning of a reappraisal cycle to the year the cycle is completed. Also, the date when the test is to be made has been changed from August 1 to October 1. The net effect will be that more counties will be on three year cycles. ***Effective 8-12-2005.***

ACT 2284 SB 955 - Bisbee et al - Assesses property at full value when transferred. Effective January 1, 2006 all properties that are sold will be ineligible for Amendment 79's increase limitations. The assessed value of the property will be 20% of its appraised value in the year following transfer. ***Effective 1-1-2006.***

ACT 2317 HB 2484 - Sumpter - TIF district assessor clean-up bill. Act 2317 corrects the Tax Increment Finance District Act language. Assessors will report base year values. County clerks or collectors will report the appropriate millage rate information. ***Effective 8-12-2005.***