In regards to the Act 27 Report (aka Template Report), Act 633 of the 2011 Legislative session eliminated the Template Report and now requires the Treasurer of each county to submit a report by January 31 of each year. Please see the linked PDF of the law making these changes.

Contact your County Treasurer for more information.

http://www.treasurers.apprenticeis.com/

State of Arkansas
88th General Assembly
Regular Session, 2011

A Bill

HOUSE BILL 1829

By: Representatives Slinkard, English, D. Hutchinson, J. Roebuck
By: Senator J. Key

For An Act To Be Entitled

AN ACT TO CLARIFY COLLECTIONS AND DISTRIBUTIONS RELATED TO THE UNIFORM RATE OF TAX; AND FOR OTHER PURPOSES.

Subtitle

TO CLARIFY COLLECTIONS AND DISTRIBUTIONS RELATED TO THE UNIFORM RATE OF TAX.

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

SECTION 1. Arkansas Code § 6-20-2305(a)(4), concerning the collection rate of the uniform rate of tax, is amended to read as follows:

(4)(A) By the end of each school fiscal year, for a school district whose net revenues are less than the sum of ninety-eight percent (98%) of the uniform rate of tax multiplied by the property assessment of the school district, the Department of Education shall distribute to the school district the difference between:

(i) The net revenues distributed to the school district as reported under ~~§ 26-26-2004~~ <u>§ 26-80-101(b)(4)(A)(ii)</u> for the calendar year immediately preceding the current school year; and

(ii) The sum of ninety-eight percent (98%) of the uniform rate of tax multiplied by the property assessment of the school district.

(B) For a school district whose net revenues are more than the sum of ninety-eight percent (98%) of the uniform rate of tax multiplied by the property assessment of the school district, the Department of

Education, under the authority of § 6-20-2306, shall recoup from the school district an amount equal to the difference between:

(i) The net revenues of the school district; and

(ii) The sum of ninety-eight percent (98%) of the uniform rate of tax multiplied by the property assessment of the school district.

(C)(i) Data to verify the timely receipt of revenues applicable to the required ninety-eight percent (98%) of the uniform rate of tax multiplied by the property assessment of the school district shall be ~~collected~~ received annually by the Department of Education ~~in cooperation with the Assessment Coordination Department~~ under § 26-80-101(b)(4)(A)(ii).

(ii)(a) Data may be appropriately adjusted by the Department of Education if it is determined that irregular distributions by a county treasurer of excess commissions cause a school district's property tax collection rate from the uniform rate of tax to exceed ninety-eight percent (98%).

(b) The Department of Education may adjust the uniform rate of tax from an irregular distribution to an amount not in excess of ninety-eight percent (98%) and apply the excess distribution amount the following school year.

(iii) Evidence of overlapping revenue reporting or irregular distributions shall be provided in the form required by the Department of Education.

SECTION 2. DO NOT CODIFY. Data received by the Department of Education under § 6-20-2305(a)(4)(C) may be appropriately adjusted by the department if it is determined that distributions reported on the county treasurer's annual summary report for the 2011 calendar year submitted by January 31, 2012, were also accounted for on the 2010 county tax settlement report template submitted by February 15, 2011, for collections made during the 2010 calendar year. Evidence of overlapping revenue reporting or irregular distributions shall be provided in the form required by the Department of Education.

SECTION 3. Arkansas Code § 26-80-101(b)(4)(A), concerning the reporting of collections from the uniform rate of tax, is amended to add

additional subdivisions to read as follows:

(4)(A)(i) The Treasurer of State shall process the necessary documentation to certify the amount to be receipted and redistributed to each county treasurer no more than six (6) times each month, with no interim distributions.

(ii) By January 31, 2012, and by January 31 of each year thereafter, each county treasurer shall provide an annual summary report of all proceeds generated from ad valorem tax and distributed by the county to a school district for the period beginning January 1 and ending on December 31 of the preceding calendar year to the:

(a) Treasurer of State;

(b) Department of Education; and

(c) Superintendent of the school district to which the proceeds from the uniform rate of tax are distributed by the county.

(iii) Failure to report the annual summary required under subdivision (b)(4)(A)(ii) of this section by the county treasurer by the January 31 deadline shall result in the withholding of all reappraisal funding provided under § 26-26-1907 until the county treasurer complies with subdivision (b)(4)(A)(ii) of this section.

(iv) Funds withheld under subdivision (b)(4)(A)(iii) of this section are forfeited as follows:

(a) Twenty percent (20%) of withheld reappraisal funds are forfeited every two (2) months of noncompliance; and

(b) After ten (10) months of noncompliance, the total amount of withheld reappraisal funds are forfeited.

(v) A county is not relieved of the requirement to reappraise property and funding for reappraisal shall be by local taxing unit sources until the county complies with this subdivision (b)(4)(A).

(vi) The Department of Education shall notify the Assessment Coordination Department if a county treasurer violates subdivision (b)(4)(A)(ii) of this section and withholding of reappraisal funding under this subdivision (b)(4)(A) is authorized.

SECTION 4. Arkansas Code § 25-28-109 is repealed.

~~25-28-109. Additional authority.~~

~~The Assessment Coordination Department shall promulgate the necessary rules to fully implement the provisions of uniform reporting requirements as required under § 26-26-2001 et seq. with input from all of the following:~~

~~(1) The State Board of Education;~~

~~(2) The Department of Education;~~

~~(3) The Division of Legislative Audit;~~

~~(4) The Commissioner of State Lands;~~

~~(5) The appropriate county officials; and~~

~~(6) The appropriate school district officials.~~

SECTION 5. Arkansas Code Title 26, Chapter 26, Subchapter 20 is repealed.

~~Subchapter 20 — Coordination of Uniform Reporting of County Property Tax Information~~

~~26-26-2001. Uniform annual reporting requirement.~~

~~A county official who is the preparer of the tax books shall annually report to the Assessment Coordination Department and the State Board of Education his or her county's property tax assessment, settlement, and collection information as provided under this subchapter.~~

~~26-26-2002. Adoption and implementation of rules for reporting.~~

~~(a) By June 15, 2006, the Assessment Coordination Department shall adopt and implement by rules a statewide set of instructions for reporting county property tax assessment, settlement, and collection information.~~

~~(b) In developing the statewide set of instructions, the Assessment Coordination Department shall:~~

~~(1) Collaborate with the Division of Legislative Audit, the State Board of Education, the Department of Education, the Commissioner of State Lands, and the appropriate county officials;~~

~~(2) Consider the comments and suggestions from school districts and other interested parties; and~~

~~(3) Comply with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., which may include the adoption of emergency rules as necessary to comply with the June 15, 2006, deadline under subsection (a) of this section.~~

~~(c)(1) The statewide set of instructions shall address issues relating to the property tax assessment, settlement, and collection processes to assure uniformity in reporting.~~

~~(2) In addition to any other instructions relevant to the processes, the statewide set of instructions shall include how to report items related to the county collector's original charge or assessed value used to determine state foundation funding aid under the Public School Funding Act of 2003, § 6-20-2301 et seq.~~

~~26-26-2003. Preliminary report — Annual report.~~

~~(a)(1) By November 15, 2006, the Assessment Coordination Department shall present its preliminary report to the House Interim Committee on Revenue and Taxation, the Senate Interim Committee on Revenue and Taxation, the House Interim Committee on Education, and the Senate Interim Committee on Education regarding the implementation of this subchapter.~~

~~(2) The preliminary report shall include:~~

~~(A) The proposed or promulgated rules;~~

~~(B) The status of implementing the rules; and~~

~~(C) If the rules have been implemented, a list of the counties that have complied with the rules.~~

~~(b) By December 15 of each following year, the department shall present an update to the preliminary report that shall include:~~

~~(1) Any changes to the rules;~~

~~(2) The status of implementing the rules;~~

~~(3) A list of the counties that have complied with the rules; and~~

~~(4) Any additional information requested by a chair of a committee to be included in the update.~~

APPROVED: 03/23/2011