

**SUGGESTED PROCEDURES FOR THE
PREPARATION OF THE COUNTY FINAL TAX SETTLEMENT**

June 1, 2019



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GENERAL NARRATIVE

The millage rates used for the extension of taxes will be those millage rates levied by the Quorum Court in its regular meeting in November of each year, in accordance with Ark. Code Ann. § 14-14-904. The 2001 Legislature amended Ark. Code Ann. § 14-14-904, allowing the Quorum Court to correct millage levies in cases where an incorrect levy was due to clerical errors and/or the failure of the taxing entity to report the correct millage. The correction is effected by a county court order.

In this manual, the millage rates have equalized for all taxing units and, therefore, are the same for both real estate and personal property. The breakdown of this sample tax settlement into real, personal, and utility taxes has a dual purpose: (1) to provide a mechanism to identify and isolate possible errors by type of tax and (2) to recognize those counties where the real and personal tax rates have not yet equalized.

FINAL TAX SETTLEMENT – REAL ESTATE (EXHIBIT 1)

Original Charge - Real Estate

In the preparation for the final tax settlement, the Original Charge recapitulation that was prepared before the tax books were delivered to the Tax Collector should be transferred to a columnar work paper format (electronic or otherwise), listing the valuation and tax as per School District, County, City, Improvement, and Timber Tax Accounts for the original charge on real properties.

Example: School District No. 16 - \$8,929,630 x 30 Mills = \$267,888.90

Added Real

The information for Added Real is extracted from the Real Estate Tax Book by making a list of Added Real Valuation as per school districts and identifying the amount, whether inside or outside a city corporation, on a separate work paper. The total valuation of any particular school district, both inside and outside the city corporation, will be the total for that school district. The total valuations of all the school districts will be the total valuation of each County Account. Next, the valuations need to be listed as per cities, using the school districts inside the city corporation for this figure. The valuations should be multiplied by the millage rate to obtain the tax. At this time, a list should be made of any added improvement tax either from the Real Estate Book (or the Improvement Tax Book) and the Added Timber Tax from the Real Estate Tax Book.

Example: School District No. 16 - \$26,280 x 30 Mills = \$788.40

Errors and Credits Real

The Errors and Credits Real are extracted from the Real Estate Tax Book by making a list of Errors and Credits Real Valuations as per school districts and identifying the amount, whether inside or outside a city corporation, on a separate work paper. The total valuation of any particular school district, both inside and outside the city corporation, will be the total for that school district. The total valuations of all the school districts will be the total valuation of each County Account. Next, the valuations need to be listed as per cities, using the school districts inside the city corporation for this figure. The valuations should be multiplied by the millage rate to obtain the tax. At this time, a list should be made of any Errors and Credits of the Improvement Tax either from the Real Estate Book (or the Improvement Tax Book) and the Errors and Credits of the Timber Tax from the Real Estate Book.

Example: School District No. 16 - \$43,530 x 30 Mills = \$1,305.90

Disabled Veterans Tax Credit (See Also Act 354 of 1989)

The Real Estate Tax Book should be used to obtain this information, with the same procedures used for Errors and Credits as previously shown.

Example: School District No. 16 - \$48,390 x 30 Mills = \$1,451.70

Redeemed Real

This represents delinquent real estate redeemed at the county level prior to certification to the State Land Commissioner's Office. It applies **only** in instances where the valuation of the delinquent real estate has **not** been included in the current-year original charge and is generally due to the restraints imposed by the county's tax collection software. It is added back to the tax book so that redeemed real estate can be collected for the current year as current taxes. This information is extracted from the Real Estate Tax Book in the same manner as "Added Real."

Example: School District No. 16 - \$470,240 x 30 Mills = \$14,107.20

Delinquent Real Estate

On a separate workpaper, a list of valuations should be made from the Delinquent Real Estate Book. The list should be of valuations as per school districts and should identify the amount, whether inside or outside a city corporation. The total valuation of any particular school district - both inside and outside the city corporation - will be the total for that school district. The total valuations of all the school districts will be the total valuation of each County Account. Next, the valuations need to be listed as per cities, using the school districts inside the city corporation for this figure. The valuations should be multiplied by the millage rate to arrive at the tax. A list should also be made of the Delinquent Improvements from the Real Estate Tax Book (or Improvement Tax Book) and the Delinquent Timber Tax from the Delinquent Real Estate Book to be used in this column.

Example: School District No. 16 - \$602,000 x 30 Mills - \$18,060.00

Additionally, those parcels that are determined to be delinquent must be summarized by the Homestead Credit amount. The total delinquent Homestead Credit amount of any particular school district - both inside and outside the city corporation - will be the total for that school district. The total delinquent Homestead Credits of all the school districts will be the total Homestead Credit of each County Account. Next, the delinquent Homestead Credits need to be listed as per cities, using the school districts inside the city corporation for this figure. This summary will be used later in the final settlement for real estate.

Voluntary Tax Refused

A column should be added here for any Volunteer Tax Refused to be paid. This information can be extracted from the Real Estate Tax Book.

Example: City of Mulberry - \$1,654,037 x 1.5 Mills = \$2,481.06

Net Valuation and Tax - Real Estate

The amounts for the Original Charge plus the Added Real plus Redeemed Real less the Errors and Credits, Disabled Veterans, Voluntary Refused, and Delinquent Real Estate will be the amount of net valuation and tax collected for real estate properties.

Example: School District No. 16 - \$8,732,230 x 30 Mills = \$261,966.90

Homestead Tax Credit (Ark. Code Ann. § 26-26-1118)

The 2001 legislature authorized a Homestead Tax Credit not to exceed \$300 in accordance with Amendment 79 of the Arkansas Constitution. Act 808 of 2019 (Ark. Code Ann. § 26-26-1118(a)(1)(A)) increased the maximum property tax relief credit for a homestead from \$350 (Act 142 of 2007) to \$375. The credit serves to reduce real property taxes assessed on the homestead of each taxpayer by \$375, provided that no assessment shall be reduced to less than \$0. The term "homestead" means the dwelling of a person that is used as his or her principal place of residence. Each County Assessor is responsible for identifying those parcels of real property that are used as a homestead prior to issuing the tax bills.

The County Tax Collector must annually certify the Homestead Tax Credit to the Chief Fiscal Officer of the State. The State, based upon that certification will then distribute from the property tax relief fund of the State, to each county, a portion of the sales tax dollars that are authorized by Amendment 79 to reimburse the counties for the loss of local ad valorem tax revenue.

The Homestead Credit must be reflected on the tax settlement as a reduction to adjusted original charge (Net Valuation). The delinquent amounts related to the Homestead Credit must be reflected as an addition to this reduction.

Delinquent Homestead Credit

The Homestead Credit amount included in the Delinquent Real Estate total must be reflected on the tax settlement as an addition to the Pre-Credit Net Tax amount.

This adjustment must be prepared because the original real estate taxes were reduced by the total Homestead Credit certified to the State. The Delinquent Real Estate Value (reflected on Exhibit 1) would be for the entire parcel value, which would cause the Net Value to be understated for those parcels that had received the Homestead Credit – thus, the need for the Delinquent Homestead Credit adjustment as an addition to the Net Value. (See Exhibit 1)

NOTE: Each Clerk must evaluate his or her County's method of accounting for Delinquent Real Estate and the related Delinquent Homestead Credit that may be included. This evaluation will ensure the accuracy of the Post Credit Net Tax amount reflected in Exhibit 1.

City Road Tax

With the variable millage rates being utilized for each taxing unit, the City Road Tax should not be extended until after the post-credit net tax column. Each city road account is generally entitled to one-half of the County Road Tax collected on the valuation within the city. Therefore, at this point, each city's valuation was multiplied by one-half of the county road millage rate to obtain the tax. The County Road Tax was reduced by the total amount of all the cities' road tax.

Example: City of Van Buren - \$65,485,198 x 1.5 Mills = \$98,227.80

The City Road Tax distribution takes on an added dimension with the implementation of Amendment 79. While Amendment 79 does not change the distribution of ad valorem taxes to the various city road funds (see the paragraph above), the effect of the \$350 Homestead Tax Credit must still be calculated. This is necessary because the State's distribution of sales tax to the county must be distributed to all taxing units. The County Tax Collector can provide the original certified credits broken down by taxing unit to facilitate the monthly distribution of the State's sales tax refund. A sample monthly distribution of the sales tax refund is included later in this manual (See Exhibit 8). Remember, although the Homestead Tax Credit and ad valorem taxes are related, they are not the same thing. The final tax settlement is the tool that reconciles all ad valorem tax activity for the year. The monthly distribution of sales tax to compensate the county for the loss of ad valorem tax revenue is a separate issue (See Exhibit 8).

Adjusted Net Tax

The Adjusted Net Tax is a total of the net tax column adjusted for the distribution of the City Road Tax. All amounts reflected in the net tax column should remain unchanged except for the reduction of the county road account and the establishing of the city road accounts.

FINAL TAX SETTLEMENT – PERSONAL (EXHIBIT 2)

Original Charge - Personal

In the preparation for the final tax settlement, the Original Charge recapitulation that was prepared before the tax books were delivered to the Tax Collector should be transferred to a columnar work paper format (electronic or otherwise) listing the valuation and tax as per School District, County, and City Accounts for the original charge on personal properties.

Example: School District No. 16 - $\$4,731,705 \times 30 \text{ Mills} = \$141,951.15$

Added Personal

The information for Added Personal is extracted from the Personal Tax Book by making a list of Added Personal Valuation as per school districts and identifying the amount, whether inside or outside a city corporation, on a separate work paper. The total valuation of any particular school district, both inside and outside the city corporation, will be the total for that school district. The total valuations of all the school districts will be the total valuation of each County Account. Next, the valuations need to be listed as per cities, using the school districts inside the city corporation for this figure. The valuations should be multiplied by the millage rate to obtain the tax.

Example: School District No. 16 - $\$18,575 \times 30 \text{ Mills} = \557.25

Errors and Credits Personal

The Errors and Credits Personal are extracted from the Personal Tax Book by making a list of Errors and Credits Personal Valuations as per school districts and identifying the amount, whether inside or outside a city corporation, on a separate work paper. The total valuation of any particular school district, both inside and outside the city corporation, will be the total for that school district. The total valuations of all the school districts will be the total valuation of each County Account. Next, the valuations need to be listed as per cities, using the school districts inside the city corporation for this figure. The valuations should be multiplied by the millage rate to obtain the tax.

Example: School District No. 16 - $\$172,775 \times 30 \text{ Mills} = \$5,183.25$

Disabled Veterans Tax Credit

The Personal Tax Book should be used to obtain this information, with the same procedures used for Errors and Credits.

Example: School District No. 16 - $\$26,970 \times 30 \text{ Mills} = \809.10

Delinquent Personal

On a separate work paper, a list of Delinquent Personal Valuations should be made from the Personal Tax Book. The valuations should be listed as per school districts, whether inside or outside a city corporation. The total valuation of any particular school district, both inside and outside the city corporation, will be the total for that school district. The total valuations of all the school districts will be the total valuation of each County Account. Next, the valuations need to be listed as per cities, using the school districts inside the city corporation for this figure. The valuations should be multiplied by the millage rate to obtain the tax.

Example: School District No. 16 - $\$417,740 \times 30 \text{ Mills} = \$12,532.20$

Voluntary Tax Refused

A column should be added for any Voluntary Tax where payment was refused. This information can be extracted from the Personal Tax Book.

Example: City of Mulberry - $\$430,720 \times 1.5 \text{ Mills} = \646.08

Net Valuation and Tax - Personal

The amounts for the Original Charge plus the Added Personal less the Errors and Credits, Disabled Veterans, Voluntary Refused, and Delinquent Personal will be the amount of net valuation and tax collected for personal properties.

Example: School District No. 16 - $\$4,132,795 \times 30 \text{ Mills} = \$123,983.85$

City Road Tax

With the variable millage rates being utilized for each taxing unit, the City Road Tax should not be extended until after the net tax column. Each city road account is generally entitled to one-half of the County Road Tax collected on the valuation within the city. Therefore, at this point, each city's valuation was multiplied by one-half of the county road millage rate to obtain the tax. The County Road Tax was reduced by the total amount of all the cities' road tax.

Example: City of Van Buren - $\$24,010,258 \times 1.5 \text{ Mills} = \$36,015.39$

Adjusted Net Tax - Personal

The Adjusted Net Tax is a total of the net tax column adjusted for the distribution of the City Road Tax. All amounts reflected in the net tax column should remain unchanged except for the reduction of the county road account and the establishing of the city road accounts.

FINAL TAX SETTLEMENT - UTILITY AND CARRIER (EXHIBIT 3)

For the tax settlement this year, all the taxing units have equalized with regard to real property and personal property, and the same millage rate applies to both real and personal property.

The same procedures utilized for compiling the data for Real and Personal property apply also to Utility and Carrier property, with the same millage rate being applied to Utility and Carrier real and personal property.

In those taxing units where real property and personal property millage rates have not equalized, it would be necessary to separate Utility and Carrier property between real property and personal property and apply the real millage rate to the real property and the personal millage rate to the personal property.

FINAL TAX SETTLEMENT - NET DISTRIBUTION (EXHIBIT 4)

Net Tax Real, Personal, and Utility and Carrier

These amounts are transferred from the Net Tax Column from the individual distribution columns on Exhibits 1, 2, and 3 for Real, Personal, and Utility and Carrier, respectively.

Adjustments

Penalties, Assessor's Fees, and Cost Collected should be added at this point to adjust the Net Tax dollars to Collector's receipts. The distributions of these amounts are as follows: (See Exhibit 4)

10% (Minimum of \$1.00) Delinquent Assessment Penalty on Personal Property - to County General (Ark. Code Ann. § 26-26-201)

10% Penalty Collected after October 15 on Personal Property - added to County General.

10% Penalty Collected after October 15 on Real Estate - to applicable taxing units (AG Opinion No. 96-108)

\$.50 Delinquent Assessment Fee on Personal Property - to Assessor's Late Assessment Fee Fund (Ark. Code Ann. § 26-26-201)

Cost Collected after October 15 on regular tax receipts - to Collector's Fund (All advertising cost are paid out of Collector's Fund)

100% Homestead Property Tax Credit penalty for claiming of multiple credits or failing to report a change in the use of the property. Penalties are remitted to the General Fund (Ark. Code Ann. § 26-26-1119)

Postage fee not to exceed the cost of first-class postage - added to County General or Collector's Fund (Ark. Code Ann. § 26-35-706)

The amount of the net tax plus the penalties plus the Assessor's fees plus the cost collected should equal the Tax Collector's Receipts, which should also equal the amount of net bank deposits made by the Tax Collector for tax purposes. Net bank deposits would be defined as total bank deposits less any duplicate payments in the current year refunded, bad checks, direct deposited interest, bank errors, etc.

Total Net Tax

The Post-Credit Total Net Tax column represents the total of the three Net Tax amounts for each type of tax plus the penalties, Assessor's fees, and cost collected. (See Exhibit 4)

Audit Adjustments

In figuring the final distribution, the prior-year audit adjustments, if any, should be taken into consideration. Generally, the only adjustments necessary will be the re-allocation of certain penalties and fees. (See Exhibit 4)

Late Payment Penalty Prorated

The 10% penalty collected after October 15 on real property is distributed to applicable taxing units in accordance with AG Opinion No. 96-108. (See Exhibit 4)

Collector's and Treasurer's Interest

The Collector's and Treasurer's interest earned on tax collections proration is made to all taxing units represented on the final tax settlement. (See Exhibit 4)

Prior Year Refunds

Any refund of prior-year taxes paid from the County General or Collector's Fund should be a reduction from the applicable taxing units on the final tax settlement. These refunds should NOT be prorated to the taxing entities unless the total is an immaterial amount.

Total Prorations

The Total Prorations are a total of the Collector's Commission, Assessor's Salary and Expense, Cost Prorated Real and Personal, Clerk's Fees, County Equalization Board, County Attorney, and Collector's Bond (by account). (See Exhibits 4 and 5)

Proration Adjustments

The County General adjustment is the total of Clerk's Fees plus Equalization Board, County Attorney, and Collector's Bond expenses (paid by County General). (See Exhibits 4 and 5)

The Assessor's adjustment is the amount prorated for office expenses after taking into account any Assessor's fees collected on tax receipts. (See Exhibits 4 and 5)

The Collector's adjustment is the amount prorated for the Collector's Commission after taking into account any cost collected, cost prorated - real and personal, advertising, postage collected, and collector's bond prorated. (See Exhibits 4 and 5)

Amount Due Account

This column is the net tax collected, less total cost prorated, plus proration adjustments (plus the audit adjustment, if any, to be taken into consideration). (See Exhibit 4)

Prior Payments/Prior Distribution

These are amounts that have already been paid to the taxing units during the year. These amounts can be taken from the County Treasurer's records that have been distributed to the tax accounts and/or from the Collector's records if the Collector's office has paid the improvement districts or cities or timber tax direct. (See Exhibit 4)

Final Distribution

This column is simply the difference between Amount Due Account and Prior Payments/Distributions to that account. (See Exhibit 4)

Collector's Commission

These are commissions taken to cover the Collector's office expense and should be prorated on Post-Credit Total Net Tax (Exhibit 4) based on the rates noted on Exhibit 5.

Assessor's Salary and Expense

This proration is made to allocate the cost of maintaining the Assessor's office and should include all expenses associated with the office less the Assessor's fees collected. Any Assessor's expenses paid with the Amendment No. 79 "Property Tax Relief Assessor's Commission" revenue received from the State or the Assessor's Late Assessment Fee Fund revenues would not be included. This proration is based on the Pre-Credit Total Net Tax less the Improvement Tax multiplied by the rate computed in Exhibit 5. Note that the Assessor's expenses are prorated against the bond accounts but are charged against the general account - either county or city. (See Exhibit 4) (Ark. Code Ann. §§ 14-15-203, 26-26-201)

In regard to the distribution of excess Assessor's salary and expenses, incorporate all relevant Assessor's expenses, including accruals, for complete and accurate distribution of excess expenses.

Reappraisal

Any expenses associated with property reappraisal that are in excess of the amount reimbursed from the State should be prorated to the taxing entities. This proration is based on the Pre-Credit Total Net Tax less the Improvement Tax multiplied by the rate computed in Exhibit 5. This proration may be made on a separate column, or these expenses may be included with the Assessor's office expense.

This calculation would be made if the County's reappraisal expenses exceeded the reimbursement from the State's Real Property Reappraisal Fund. If the reappraisal expenses were included as part of the Assessor's Salary and Expense or the County Equalization Board expense (Exhibit 5, Sections III and IV, respectively), this calculation would not be necessary.

Remember: Do **NOT** prorate expenses that have been reimbursed by the State to the taxing entities.

Cost Prorated - Real

This is a proration for uncollected cost associated with delinquent real estate. This distribution is made based on the Delinquent Real Estate Tax (Exhibit 1) multiplied by the factor computed in Exhibit 5.

Cost Prorated - Personal

This proration is made to distribute the uncollected cost associated with the delinquent personal property. This distribution is made based on the Delinquent Personal Tax (Exhibit 2) multiplied by the factor computed in Exhibit 5.

Clerk's Fees

See Exhibit 5, Section VI, for the computation of the Clerk's fees.

County Equalization Board

This proration is made to reimburse the expenses of the County Equalization Board to the General Fund. This proration is based on the Pre-Credit Total Net Tax less the Improvement Tax multiplied by the rate computed in Exhibit 5. (Ark. Code Ann. § 26-27-308)

County Civil Attorney

If applicable, this proration is made to allocate the cost of maintaining the County Civil Attorney's office for legal expenses incurred by the county in assessing property, collecting taxes, and receiving and disbursing revenues for the taxing units. This proration is based on the Pre-Credit Total Net Tax less the Improvement Tax multiplied by the rate computed in Exhibit 5. This proration is not presented in this manual.

Collector's Bond Premium

See Exhibit 5, Section XIII, for narrative.

Excess Collector's Commission

Although it is recommended that the distribution of Excess Collector's Commission be done separately from the final tax settlement, the following discussion is appropriate for this manual.

The Excess Collector's Commission is the result of the difference between the computed Collector's Commission and the office expenses of the Collector's office, with the office expenses being reduced by the cost collected, the advertising cost prorated - real and personal, and postage. In regard to the distribution of excess Collector's Commission, incorporate all relevant Collector's expenses, including accruals, for complete and accurate distribution of excess commissions.

Additionally, Act 1215 of 2001 established a Collector's Automation Fund. This law allows for a maximum of 10% gross commissions to be set aside and restricted to operate the office of County Collector; to pay for administrative costs; and to purchase, maintain, and operate an automated record keeping system. It should be noted that expenses of the automation fund cannot be used in subsequent years to reduce excess commissions to be distributed back to the taxing units.

| | | |
|--|--------------------|--------------------------|
| Collector's Commission Per Final Tax Settlement Calculations-Exhibit 5 | | 326,613.35 |
| Collector's Commission Charged on Amendment 79 Sales Tax Rebate | | <u>43,648.52</u> |
| Total Collector's Commission | | 370,261.87 |
| Less maximum of 10% for automation fund | (370,261.87 x 10%) | <u>37,026.19</u> |
| Adjusted Collector's Commission | | 333,235.68 |
| Cost Collected | | 1,456.00 |
| Postage | | <u>0.00</u> |
| Gross Commissions and Fees | | 334,691.68 |
| Office Expense | <u>157,895.23</u> | |
| Less Cost Prorated - Personal - Collector's Fees | Exhibit 6 | 1,571.50 |
| Less Cost Prorated - Real Estate | Exhibit 6 | 2,451.00 |
| Less Cost Prorated - Personal | Exhibit 6 | <u>3,928.75</u> |
| Adjusted Office Expense | | <u>149,943.98</u> |
| Excess Collector's Commission | | <u><u>184,747.70</u></u> |

Excess Commission is distributed back to the taxing units based on the individual taxing unit's share of Collector's Commission charged in proportion to total Collector's Commission.

Some Suggested Items To Check

If the net tax collected, as per tax settlement, and the tax receipts do not agree, we recommend the following items be reviewed to see if they are correct:

1. Added Real Valuations.
2. Added Personal Valuations.
3. Errors and Credits Real Valuations.
4. Errors and Credits Personal Valuations.
5. All parcels on Real Estate Tax Book have been recorded; Paid or Delinquent Real Estate.
6. Delinquent Real Estate Valuations compared to the Real Estate Book/Delinquent Real Estate Book.
7. All Taxpayers in Personal Book have been recorded; Paid or Delinquent Personal.
8. Delinquent Personal Valuations compared to the Personal Tax Book/Delinquent Personal List.
9. Comparison of Utility and Carrier Receipts (total) with Net Tax Collected - Utility and Carrier.
10. The correct millage rate has been used.
11. Addition of tax receipts correct.
12. Disabled Veterans credits.
13. Delinquent Improvement Tax; to include DAVs (AG Opinion No. 84-13).
14. Voluntary Tax refused. (Tax books should indicate which voluntary taxes were paid and which were refused.)
15. Delinquent Timber Tax.
16. Original Charge Real, Personal, Utilities and Carrier are correct.
17. Taxes paid by hot checks - Receipts are voided. Tax books are changed to reflect "delinquent" on appropriate delinquent list.
18. If refunds of prior-year's taxes were made from current tax monies, were refunds handled properly on the tax settlement?
19. Mineral Rights: Were mineral right valuations included with real estate valuations in the original charge (This would also apply to adds, errors, and delinquents)?
20. Late assessment penalties on personal property: Does the original charge plus adds, minus errors and delinquents, equal the money collected as reflected on the receipts journal/tax books/tax receipts?
21. Partial Payments: Were the partial payments handled correctly in the tax books (partial valuation shown as delinquent), and were the tax receipts handled correctly (to show only the actual amount paid)?
22. If interest was earned in Collector's bank account and/or Collector's Unapportioned account, was interest handled properly on tax settlement, either included or excluded?
23. Does the sum of the city road taxes equal the amount subtracted from the county road tax?
24. If prior-year's delinquent real estate valuations were included in the current original charge, and also again delinquent in the current year, were the prior-year's delinquent real estate valuations recapped as "delinquent real estate"?
25. Comparison of Individual Tax Receipts with amounts recorded in Tax books.

EXHIBIT 1

SAMPLE COUNTY, ARKANSAS
 REAL ESTATE TAX SETTLEMENT
 20XX TAXES COLLECTED IN 20XX

| | MILLAGE RATE | ORIGINAL CHARGE | | ADDED REAL | | ERRORS AND CREDITS REAL | | DISABLED VETERANS | |
|------------------------------|-----------------|-----------------|--------------|------------|-----------|-------------------------|-----------|-------------------|-----------|
| | | VALUATION | TAX | VALUATION | TAX | VALUATION | TAX | VALUATION | TAX |
| School Districts | | | | | | | | | |
| #16 | 30.0 | 8,929,630 | 267,888.90 | 26,280 | 788.40 | 43,530 | 1,305.90 | 48,390 | 1,451.70 |
| #30 | 34.9 | 35,310,312 | 1,232,329.89 | 424,460 | 14,813.65 | 201,399 | 7,028.83 | 175,394 | 6,121.25 |
| #42 | 31.8 | 91,642,378 | 2,914,227.62 | 459,170 | 14,601.61 | 320,221 | 10,183.03 | 561,736 | 17,863.20 |
| #44 | 27.0 | 7,750,850 | 209,272.95 | 29,550 | 797.85 | 40,890 | 1,104.03 | 25,210 | 680.67 |
| #101 | 27.4 | 7,504,300 | 205,617.82 | 67,495 | 1,849.36 | 33,400 | 915.16 | 66,550 | 1,823.47 |
| Total Schools | | 151,137,470 | 4,829,337.18 | 1,006,955 | 32,850.87 | 639,440 | 20,536.95 | 877,280 | 27,940.29 |
| County General | 1.9 | 151,137,470 | 287,161.19 | 1,006,955 | 1,913.21 | 639,440 | 1,214.94 | 877,280 | 1,666.83 |
| County Road | 3.0 | 151,137,470 | 453,412.41 | 1,006,955 | 3,020.87 | 639,440 | 1,918.32 | 877,280 | 2,631.84 |
| County Hospital Bond | 1.0 | 151,137,470 | 151,137.47 | 1,006,955 | 1,006.96 | 639,440 | 639.44 | 877,280 | 877.28 |
| County Library | 1.4 | 151,137,470 | 211,592.46 | 1,006,955 | 1,409.74 | 639,440 | 895.22 | 877,280 | 1,228.19 |
| Total County | 7.3 | | 1,103,303.53 | | 7,350.78 | | 4,667.92 | | 6,404.14 |
| City of Van Buren General | 2.0 | 65,921,995 | 131,843.99 | 307,460 | 614.92 | 179,596 | 359.19 | 350,731 | 701.46 |
| City of Van Buren Road | | | | | | | | | |
| City of Kibler General | 5.0 | 1,828,040 | 9,140.20 | 7,210 | 36.05 | 1,260 | 6.30 | 6,110 | 30.55 |
| City of Kibler Road | | | | | | | | | |
| City of Chester General | 5.0 | 141,470 | 707.35 | 1,000 | 5.00 | | | | |
| City of Chester Road | | | | | | | | | |
| City of Mountainburg General | 1.7 | 1,600,940 | 2,721.60 | | | | | 26,960 | 45.83 |
| City of Mountainburg Road | | | | | | | | | |
| City of Mountainburg Pension | 0.4 | 1,600,940 | 640.38 | | | | | 26,960 | 10.78 |
| City of Alma General | 3.1 | 12,266,525 | 38,026.23 | 37,730 | 116.96 | 14,255 | 44.19 | 39,900 | 123.69 |
| City of Alma Road | | | | | | | | | |
| City of Alma Pension | 0.4 | 12,266,525 | 4,906.61 | 37,730 | 15.09 | 14,255 | 5.70 | 39,900 | 15.96 |
| City of Dyer General | 5.0 | 920,040 | 4,600.20 | | | 3,964 | 19.82 | 23,214 | 116.07 |
| City of Dyer Road | | | | | | | | | |
| City of Rudy General | 1.5 | 122,170 | 183.26 | | | | | | |
| City of Rudy Road | | | | | | | | | |
| City of Mulberry General | 3.2 | 4,403,670 | 14,091.74 | 7,560 | 24.19 | 19,940 | 63.81 | 56,840 | 181.89 |
| City of Mulberry Road | | | | | | | | | |
| City of Mulberry Voluntary | 1.5 | 4,403,670 | 6,605.51 | 7,560 | 11.34 | 19,940 | 29.91 | | |
| Total Cities | | | 213,467.07 | | 823.55 | | 528.92 | | 1,226.23 |
| Improvement #1 | | | 8,970.00 | | 420.00 | | | | |
| Improvement #2 | | | 11,523.00 | | 1,104.00 | | | | |
| Total Improvement | | | 20,493.00 | | 1,524.00 | | | | |
| Timber Tax | | | 27,847.40 | | | | | | 302.98 |
| Total | | | 6,194,448.18 | | 42,549.20 | | 25,733.79 | | 35,873.64 |

EXHIBIT 1

SAMPLE COUNTY, ARKANSAS
 REAL ESTATE TAX SETTLEMENT
 20XX TAXES COLLECTED IN 20XX

| | MILLAGE RATE | REDEEMED REAL | | DELINQUENT REAL | | NET VALUATION | PRE-CREDIT NET TAX | LESS | ADD | POST-CREDIT NET TAX |
|------------------------------|-----------------|---------------|------------|-----------------|------------|------------------|--------------------------|---------------------|---------------------|---------------------------|
| | | VALUATION | TAX | VALUATION | TAX | | | CERTIFIED | DELINQUENT | |
| | | | | | | | | HOMESTEAD CREDIT | HOMESTEAD CREDIT | |
| School Districts | | | | | | | | | | |
| #16 | 30.0 | 470,240 | 14,107.20 | 602,000 | 18,060.00 | 8,732,230 | 261,966.90 | 55,352.77 | 469.71 | 207,083.84 |
| #30 | 34.9 | 1,143,610 | 39,911.99 | 1,253,127 | 43,734.13 | 35,248,462 | 1,230,171.32 | 233,137.16 | 1,367.06 | 998,401.22 |
| #42 | 31.8 | 3,473,210 | 110,448.08 | 4,032,235 | 128,225.07 | 90,660,566 | 2,883,006.01 | 565,656.46 | 1,544.38 | 2,318,893.93 |
| #44 | 27.0 | 404,670 | 10,926.09 | 551,550 | 14,891.85 | 7,567,420 | 204,320.34 | 33,264.03 | | 171,056.31 |
| #101 | 27.4 | 344,200 | 9,431.08 | 532,230 | 14,583.10 | 7,283,815 | 199,576.53 | 11,924.04 | 670.66 | 188,323.15 |
| Total Schools | | 5,835,930 | 184,824.44 | 6,971,142 | 219,494.15 | 149,492,493 | 4,779,041.10 | 899,334.46 | 4,051.82 | 3,883,758.46 |
| County General | 1.9 | 5,835,930 | 11,088.27 | 6,971,142 | 13,245.17 | 149,492,493 | 284,035.73 | 43,812.96 | 242.95 | 240,465.72 |
| County Road | 3.0 | 5,835,930 | 17,507.79 | 6,971,142 | 20,913.43 | 149,492,493 | 448,477.48 | 38,885.40 | 283.35 | 409,875.43 |
| County Hospital Bond | 1.0 | 5,835,930 | 5,835.93 | 6,971,142 | 6,971.14 | 149,492,493 | 149,492.50 | 24,664.77 | 127.87 | 124,955.60 |
| County Library | 1.4 | 5,835,930 | 8,170.30 | 6,971,142 | 9,759.60 | 149,492,493 | 209,289.49 | 35,173.45 | 179.02 | 174,295.06 |
| Total County | 7.3 | | 42,602.29 | | 50,889.34 | | 1,091,295.20 | 142,536.58 | 833.20 | 949,591.82 |
| City of Van Buren General | 2.0 | 2,594,810 | 5,189.62 | 2,808,740 | 5,617.48 | 65,485,198 | 130,970.40 | 23,937.42 | 51.09 | 107,084.07 |
| City of Van Buren Road | | | | | | | | 7,181.23 | 38.32 | (7,142.91) |
| City of Kibler General | 5.0 | 122,770 | 613.85 | 149,010 | 745.05 | 1,801,640 | 9,008.20 | 1,185.31 | | 7,822.89 |
| City of Kibler Road | | | | | | | | 320.03 | | (320.03) |
| City of Chester General | 5.0 | 2,740 | 13.70 | 29,650 | 148.25 | 115,560 | 577.80 | 261.12 | | 316.68 |
| City of Chester Road | | | | | | | | 78.34 | | (78.34) |
| City of Mountainburg General | 1.7 | 39,900 | 67.83 | 62,940 | 107.00 | 1,550,940 | 2,636.60 | 1,347.58 | 12.94 | 1,301.96 |
| City of Mountainburg Road | | | | | | | | 494.27 | 11.42 | (482.85) |
| City of Mountainburg Pension | 0.4 | 39,900 | 15.96 | 62,940 | 25.18 | 1,550,940 | 620.38 | 323.42 | 3.05 | 300.01 |
| City of Alma General | 3.1 | 272,600 | 845.06 | 243,060 | 753.49 | 12,279,640 | 38,066.88 | 5,569.92 | 35.61 | 32,532.57 |
| City of Alma Road | | | | | | | | 1,670.74 | 17.23 | (1,653.51) |
| City of Alma Pension | 0.4 | 272,600 | 109.04 | 243,060 | 97.22 | 12,279,640 | 4,911.86 | 724.09 | 4.60 | 4,192.37 |
| City of Dyer General | 5.0 | 32,330 | 161.65 | 49,850 | 249.25 | 875,342 | 4,376.71 | 970.04 | 31.78 | 3,438.45 |
| City of Dyer Road | | | | | | | | 291.01 | 9.53 | (281.48) |
| City of Rudy General | 1.5 | 1,730 | 2.60 | 1,730 | 2.60 | 122,170 | 183.26 | 78.45 | | 104.81 |
| City of Rudy Road | | | | | | | | 23.54 | | (23.54) |
| City of Mulberry General | 3.2 | 261,000 | 835.20 | 369,420 | 1,182.14 | 4,226,030 | 13,523.29 | 3,758.04 | 50.66 | 9,815.91 |
| City of Mulberry Road | | | | | | | | 1,127.41 | 23.75 | (1,103.66) |
| City of Mulberry Voluntary | 1.5 | | | | | 2,737,253 | 4,105.88 | | | 4,105.88 |
| Total Cities | | | 7,854.51 | | 8,927.66 | | 208,981.26 | 49,341.96 | 289.98 | 159,929.28 |
| Improvement #1 | | | | | 8.08 | | 9,381.92 | | | 9,381.92 |
| Improvement #2 | | | | | 6.20 | | 12,620.80 | | | 12,620.80 |
| Total Improvement | | | | | 14.28 | | 22,002.72 | | | 22,002.72 |
| Timber Tax | | | | | 1,516.00 | | 26,028.42 | | | 26,028.42 |
| Total | | | 235,281.24 | | 280,841.43 | | 6,127,348.70 | 1,091,213.00 | 5,175.00 | 5,041,310.70 |

EXHIBIT 1

**SAMPLE COUNTY, ARKANSAS
REAL ESTATE TAX SETTLEMENT
20XX TAXES COLLECTED IN 20XX**

| | MILLAGE RATE | CITY ROAD ADJUSTMENT | ADJUSTED NET TAX |
|------------------------------|-----------------|-------------------------|----------------------------|
| School Districts | | | |
| #16 | 30.0 | | 207,083.84 |
| #30 | 34.9 | | 998,401.22 |
| #42 | 31.8 | | 2,318,893.93 |
| #44 | 27.0 | | 171,056.31 |
| #101 | 27.4 | | 188,323.15 |
| Total Schools | | | <u>3,883,758.46</u> |
| County General | 1.9 | | 240,465.72 |
| County Road | 3.0 | (129,684.79) | 280,190.64 |
| County Hospital Bond | 1.0 | | 124,955.60 |
| County Library | 1.4 | | 174,295.06 |
| Total County | 7.3 | (129,684.79) | <u>819,907.03</u> |
| City of Van Buren General | 2.0 | | 107,084.07 |
| City of Van Buren Road | | 98,227.80 | 91,084.89 |
| City of Kibler General | 5.0 | | 7,822.89 |
| City of Kibler Road | | 2,702.46 | 2,382.43 |
| City of Chester General | 5.0 | | 316.68 |
| City of Chester Road | | 173.34 | 95.00 |
| City of Mountainburg General | 1.7 | | 1,301.96 |
| City of Mountainburg Road | | 2,326.41 | 1,843.56 |
| City of Mountainburg Pension | 0.4 | | 300.01 |
| City of Alma General | 3.1 | | 32,532.57 |
| City of Alma Road | | 18,419.46 | 16,765.95 |
| City of Alma Pension | 0.4 | | 4,192.37 |
| City of Dyer General | 5.0 | | 3,438.45 |
| City of Dyer Road | | 1,313.01 | 1,031.53 |
| City of Rudy General | 1.5 | | 104.81 |
| City of Rudy Road | | 183.26 | 159.72 |
| City of Mulberry General | 3.2 | | 9,815.91 |
| City of Mulberry Road | | 6,339.05 | 5,235.39 |
| City of Mulberry Voluntary | 1.5 | | 4,105.88 |
| Total Cities | | 129,684.79 | <u>289,614.07</u> |
| Improvement #1 | | | 9,381.92 |
| Improvement #2 | | | 12,620.80 |
| Total Improvement | | | <u>22,002.72</u> |
| Timber Tax | | | <u>26,028.42</u> |
| Total | | | <u><u>5,041,310.70</u></u> |

EXHIBIT 2

SAMPLE COUNTY, ARKANSAS
PERSONAL TAX SETTLEMENT
20XX TAXES COLLECTED IN 20XX

| | MILLAGE RATE | ORIGINAL CHARGE | | ADDED PERSONAL | | ERRORS AND CREDITS PERSONAL | | DISABLED VETERANS | |
|------------------------------|--------------|-----------------|--------------|----------------|----------|-----------------------------|-----------|-------------------|-----------|
| | | VALUATION | TAX | VALUATION | TAX | VALUATION | TAX | VALUATION | TAX |
| School Districts | | | | | | | | | |
| #16 | 30.0 | 4,731,705 | 141,951.15 | 18,575 | 557.25 | 172,775 | 5,183.25 | 26,970 | 809.10 |
| #30 | 34.9 | 11,892,595 | 415,051.57 | 48,155 | 1,680.61 | 46,780 | 1,632.62 | 63,015 | 2,199.22 |
| #42 | 31.8 | 35,672,628 | 1,134,389.57 | 142,825 | 4,541.84 | 355,825 | 11,315.24 | 189,075 | 6,012.59 |
| #44 | 27.0 | 2,602,755 | 70,274.39 | 12,835 | 346.55 | 13,850 | 373.95 | 24,055 | 649.49 |
| #101 | 27.4 | 2,496,425 | 68,402.05 | 12,700 | 347.98 | 9,370 | 256.74 | 34,860 | 955.16 |
| Total Schools | | 57,396,108 | 1,830,068.73 | 235,090 | 7,474.23 | 598,600 | 18,761.80 | 337,975 | 10,625.56 |
| County General | 1.9 | 57,396,108 | 109,052.61 | 235,090 | 446.67 | 598,600 | 1,137.34 | 337,975 | 642.15 |
| County Road | 3.0 | 57,396,108 | 172,188.32 | 235,090 | 705.27 | 598,600 | 1,795.80 | 337,975 | 1,013.93 |
| County Hospital Bond | 1.0 | 57,396,108 | 57,396.11 | 235,090 | 235.09 | 598,600 | 598.60 | 337,975 | 337.98 |
| County Library | 1.4 | 57,396,108 | 80,354.55 | 235,090 | 329.13 | 598,600 | 838.04 | 337,975 | 473.17 |
| Total County | | | 418,991.59 | | 1,716.16 | | 4,369.78 | | 2,467.23 |
| City of Van Buren General | 2.0 | 26,808,243 | 53,616.49 | 85,050 | 170.10 | 303,315 | 606.63 | 108,715 | 217.43 |
| City of Van Buren Road | | | | | | | | | |
| City of Kibler General | 5.0 | 543,320 | 2,716.60 | 120 | 0.60 | | | 1,090 | 5.45 |
| City of Kibler Road | | | | | | | | | |
| City of Chester General | 5.0 | 70,210 | 351.05 | | | | | | |
| City of Chester Road | | | | | | | | | |
| City of Mountainburg General | 1.7 | 671,075 | 1,140.83 | 5,580 | 9.49 | 165,575 | 281.48 | 8,755 | 14.88 |
| City of Mountainburg Road | | | | | | | | | |
| City of Mountainburg Pension | 0.4 | 671,075 | 268.43 | 5,580 | 2.23 | 165,575 | 66.23 | 8,755 | 3.50 |
| City of Alma General | 3.1 | 3,990,685 | 12,371.12 | 9,030 | 27.99 | 10,775 | 33.40 | 13,810 | 42.81 |
| City of Alma Road | | | | | | | | | |
| City of Alma Pension | 0.4 | 3,990,685 | 1,596.27 | 9,030 | 3.61 | 10,775 | 4.31 | 13,810 | 5.52 |
| City of Dyer General | 5.0 | 304,735 | 1,523.68 | 1,170 | 5.85 | 1,550 | 7.75 | 3,415 | 17.08 |
| City of Dyer Road | | | | | | | | | |
| City of Rudy General | 1.5 | 108,965 | 163.45 | | | | | | |
| City of Rudy Road | | | | | | | | | |
| City of Mulberry General | 3.2 | 1,493,550 | 4,779.36 | 3,050 | 9.76 | 9,370 | 29.98 | 33,460 | 107.07 |
| City of Mulberry Road | | | | | | | | | |
| City of Mulberry Voluntary | 1.5 | 1,493,550 | 2,240.33 | 3,050 | 4.58 | 9,370 | 14.06 | 33,460 | 50.19 |
| Total Cities | | | 80,767.61 | | 234.21 | | 1,043.84 | | 463.93 |
| Total | | | 2,329,827.93 | | 9,424.60 | | 24,175.42 | | 13,556.72 |

EXHIBIT 2

SAMPLE COUNTY, ARKANSAS
PERSONAL TAX SETTLEMENT
20XX TAXES COLLECTED IN 20XX

| | MILLAGE RATE | DELINQUENT | PERSONAL | VOLUNTARY REFUSED | | NET | CITY ROAD ADJUSTMENT | ADJUSTED | |
|------------------------------|--------------|------------|------------|-------------------|--------|------------|----------------------|--------------|--------------|
| | | VALUATION | TAX | VALUATION | TAX | VALUATION | | TAX | NET TAX |
| School Districts | | | | | | | | | |
| #16 | 30.0 | 417,740 | 12,532.20 | | | 4,132,795 | 123,983.85 | 123,983.85 | |
| #30 | 34.9 | 1,545,100 | 53,923.99 | | | 10,285,855 | 358,976.35 | 358,976.35 | |
| #42 | 31.8 | 3,619,740 | 115,107.73 | | | 31,650,813 | 1,006,495.85 | 1,006,495.85 | |
| #44 | 27.0 | 435,665 | 11,762.96 | | | 2,142,020 | 57,834.54 | 57,834.54 | |
| #101 | 27.4 | 294,255 | 8,062.59 | | | 2,170,640 | 59,475.54 | 59,475.54 | |
| Total Schools | | 6,312,500 | 201,389.47 | | | 50,382,123 | 1,606,766.13 | 1,606,766.13 | |
| County General | 1.9 | 6,312,500 | 11,993.75 | | | 50,382,123 | 95,726.04 | 95,726.04 | |
| County Road | 3.0 | 6,312,500 | 18,937.50 | | | 50,382,123 | 151,146.36 | 105,801.43 | |
| County Hospital Bond | 1.0 | 6,312,500 | 6,312.50 | | | 50,382,123 | 50,382.12 | 50,382.12 | |
| County Library | 1.4 | 6,312,500 | 8,837.50 | | | 50,382,123 | 70,534.97 | 70,534.97 | |
| Total County | | | 46,081.25 | | | | 367,789.49 | (45,344.93) | 322,444.56 |
| City of Van Buren General | 2.0 | 2,471,005 | 4,942.01 | | | 24,010,258 | 48,020.52 | 48,020.52 | |
| City of Van Buren Road | | | | | | | | 36,015.39 | |
| City of Kibler General | 5.0 | 44,475 | 222.38 | | | 497,875 | 2,489.37 | 2,489.37 | |
| City of Kibler Road | | | | | | | | 746.81 | |
| City of Chester General | 5.0 | 23,030 | 115.15 | | | 47,180 | 235.90 | 235.90 | |
| City of Chester Road | | | | | | | | 70.77 | |
| City of Mountainburg General | 1.7 | 35,620 | 60.55 | | | 466,705 | 793.41 | 793.41 | |
| City of Mountainburg Road | | | | | | | | 700.06 | |
| City of Mountainburg Pension | 0.4 | 35,620 | 14.25 | | | 466,705 | 186.68 | 186.68 | |
| City of Alma General | 3.1 | 397,525 | 1,232.33 | | | 3,577,605 | 11,090.57 | 11,090.57 | |
| City of Alma Road | | | | | | | | 5,366.41 | |
| City of Alma Pension | 0.4 | 397,525 | 159.01 | | | 3,577,605 | 1,431.04 | 1,431.04 | |
| City of Dyer General | 5.0 | 58,135 | 290.68 | | | 242,805 | 1,214.02 | 1,214.02 | |
| City of Dyer Road | | | | | | | | 364.21 | |
| City of Rudy General | 1.5 | 13,600 | 20.40 | | | 95,365 | 143.05 | 143.05 | |
| City of Rudy Road | | | | | | | | 143.05 | |
| City of Mulberry General | 3.2 | 161,615 | 517.17 | | | 1,292,155 | 4,134.90 | 4,134.90 | |
| City of Mulberry Road | | | | | | | | 1,938.23 | |
| City of Mulberry Voluntary | 1.5 | 161,615 | 242.42 | 430,720 | 646.08 | 861,435 | 1,292.16 | 1,292.16 | |
| Total Cities | | | 7,816.35 | | 646.08 | | 71,031.62 | 45,344.93 | 116,376.55 |
| Total | | | 255,287.07 | | 646.08 | | 2,045,587.24 | 0.00 | 2,045,587.24 |

EXHIBIT 3

SAMPLE COUNTY, ARKANSAS
UTILITY & CARRIER TAX SETTLEMENT
200X TAXES COLLECTED IN 200X

| | MILLAGE RATE | ORIGINAL CHARGE | | ERRORS AND CREDITS TAX | DELINQUENT TAX | VOLUNTARY REFUSED TAX | NET UTILITY AND CARRIER TAX | CITY ROAD ADJUSTMENT | ADJUSTED NET TAX |
|------------------------------|-----------------|--------------------------------------|--------------|------------------------------|-------------------|-----------------------------|-----------------------------------|----------------------------|------------------------|
| | | UTILITY AND CARRIER TAX VALUATION | TAX | | | | | | |
| School Districts | | | | | | | | | |
| #16 | 30.0 | 1,921,495 | 57,644.85 | | | | 57,644.85 | | 57,644.85 |
| #30 | 34.9 | 4,166,299 | 145,403.84 | | | | 145,403.84 | | 145,403.84 |
| #42 | 31.8 | 19,039,728 | 605,463.35 | 2,440.65 | 2,854.05 | | 600,168.65 | | 600,168.65 |
| #44 | 27.0 | 1,249,595 | 33,739.07 | | | | 33,739.07 | | 33,739.07 |
| #101 | 27.4 | 1,208,400 | 33,110.16 | | | | 33,110.16 | | 33,110.16 |
| Total Schools | | 27,585,517 | 875,361.27 | 2,440.65 | 2,854.05 | | 870,066.57 | | 870,066.57 |
| County General | 1.9 | 27,585,517 | 52,412.48 | 145.83 | 170.53 | | 52,096.12 | | 52,096.12 |
| County Road | 3.0 | 27,585,517 | 82,756.55 | 230.26 | 269.26 | | 82,257.03 | (11,749.44) | 70,507.59 |
| County Hospital Bond | 1.0 | 27,585,517 | 27,585.52 | 76.75 | 89.75 | | 27,419.02 | | 27,419.02 |
| County Library | 1.4 | 27,585,517 | 38,619.72 | 107.45 | 125.65 | | 38,386.62 | | 38,386.62 |
| Total County | | | 201,374.27 | 560.29 | 655.19 | | 200,158.79 | (11,749.44) | 188,409.35 |
| City of Van Buren General | 2.0 | 4,816,057 | 9,632.11 | 153.56 | | | 9,478.55 | | 9,478.55 |
| City of Van Buren Road | | | | | | | | 7,224.09 | 7,224.09 |
| City of Kibler General | 5.0 | 29,050 | 145.25 | | | | 145.25 | | 145.25 |
| City of Kibler Road | | | | | | | | 43.58 | 43.58 |
| City of Chester General | 5.0 | 41,463 | 207.32 | | | | 207.32 | | 207.32 |
| City of Chester Road | | | | | | | | 62.19 | 62.19 |
| City of Mountainburg General | 1.7 | 447,579 | 760.88 | | | | 760.88 | | 760.88 |
| City of Mountainburg Road | | | | | | | | 671.37 | 671.37 |
| City of Mountainburg Pension | 0.4 | 447,579 | 179.03 | | | | 179.03 | | 179.03 |
| City of Alma General | 3.1 | 1,426,921 | 4,423.46 | | | | 4,423.46 | | 4,423.46 |
| City of Alma Road | | | | | | | | 2,140.38 | 2,140.38 |
| City of Alma Pension | 0.4 | 1,426,921 | 570.77 | | | | 570.77 | | 570.77 |
| City of Dyer General | 5.0 | 414,510 | 2,072.55 | | | | 2,072.55 | | 2,072.55 |
| City of Dyer Road | | | | | | | | 621.77 | 621.77 |
| City of Rudy General | 1.5 | 23,680 | 35.52 | | | | 35.52 | | 35.52 |
| City of Rudy Road | | | | | | | | 35.52 | 35.52 |
| City of Mulberry General | 3.2 | 633,693 | 2,027.82 | | | | 2,027.82 | | 2,027.82 |
| City of Mulberry Road | | | | | | | | 950.54 | 950.54 |
| City of Mulberry Voluntary | 1.5 | 633,693 | 950.54 | | | 489.14 | 461.40 | | 461.40 |
| Total Cities | | | 21,005.25 | 153.56 | 0.00 | 489.14 | 20,362.55 | 11,749.44 | 32,111.99 |
| Total | | | 1,097,740.79 | 3,154.50 | 3,509.24 | 489.14 | 1,090,587.91 | 0.00 | 1,090,587.91 |

EXHIBIT 4

SAMPLE COUNTY, ARKANSAS
COMBINED TAX SETTLEMENT
200X TAXES COLLECTED IN 200X

| | NET TAX REAL | NET TAX PERSONAL | NET TAX UTILITY AND CARRIER | ADJUSTMENTS | POST CREDIT TOTAL NET TAX | ADDED BACK CREDIT FOR ILLUSTRATIVE PURPOSES | | AUDIT and/or OTHER ADJUSTMENT | REAL ESTATE LATE PAYMENT PENALTY | 0.0047883 COLLECTOR'S AND TREASURER'S INTEREST | TOTAL PRORATIONS |
|--|-----------------|---------------------|-----------------------------------|-------------|------------------------------------|--|--------------------------------|-------------------------------------|--|---|---------------------|
| | | | | | | ADD BACK HOMESTEAD CREDIT | PRE CREDIT TOTAL NET TAX | | | | |
| School Districts | | | | | | | | | | | |
| #16 | 207,083.84 | 123,983.85 | 57,644.85 | | 388,712.54 | 55,352.77 | 444,065.31 | | 351.79 | 1,861.27 | 31,164.80 |
| #30 | 998,401.22 | 358,976.35 | 145,403.84 | | 1,502,781.41 | 233,137.16 | 1,735,918.57 | | 1,360.43 | 7,195.77 | 121,029.01 |
| #42 | 2,318,893.93 | 1,006,495.85 | 600,168.65 | | 3,925,558.43 | 565,656.46 | 4,491,214.89 | | 3,555.55 | 18,796.75 | 314,256.99 |
| #44 | 171,056.31 | 57,834.54 | 33,739.07 | | 262,629.92 | 33,264.03 | 295,893.95 | | 237.97 | 1,257.55 | 21,012.58 |
| #101 | 188,323.15 | 59,475.54 | 33,110.16 | | 280,908.85 | 11,924.04 | 292,832.89 | | 253.92 | 1,345.08 | 21,550.97 |
| Total Schools | 3,883,758.46 | 1,606,766.13 | 870,066.57 | | 6,360,591.16 | 899,334.46 | 7,259,925.62 | | 5,759.66 | 30,456.42 | 509,014.35 |
| County General | 240,465.72 | 95,726.04 | 52,096.12 | 9,579.28 | 397,867.16 | 43,812.96 | 441,680.12 | | 360.37 | 1,904.81 | 39,128.77 |
| County Road | 280,190.64 | 105,801.43 | 70,507.59 | | 456,499.66 | 38,885.40 | 495,385.06 | | 413.38 | 2,185.86 | 35,797.21 |
| County Hospital Bond | 124,955.60 | 50,382.12 | 27,419.02 | | 202,756.74 | 24,664.77 | 227,421.51 | | 183.60 | 970.86 | 8,354.93 |
| County Library | 174,295.06 | 70,534.97 | 38,386.62 | | 283,216.65 | 35,173.45 | 318,390.10 | | 256.46 | 1,356.13 | 22,495.33 |
| Assessor | | | | 825.00 | 825.00 | | 825.00 | | | | |
| Collector | | | | 1,456.00 | 1,456.00 | | 1,456.00 | | | | |
| Total County | 819,907.03 | 322,444.56 | 188,409.35 | 11,860.28 | 1,342,621.22 | 142,536.58 | 1,485,157.80 | | 1,213.81 | 6,417.66 | 105,776.24 |
| City of Van Buren General | 107,084.07 | 48,020.52 | 9,478.55 | | 164,583.14 | 23,937.42 | 188,520.56 | | 149.08 | 788.07 | 13,187.90 |
| City of Van Buren Road | 91,084.89 | 36,015.39 | 7,224.09 | | 134,324.37 | 7,181.23 | 141,505.60 | | 121.68 | 643.19 | 10,213.23 |
| City of Kibler General | 7,822.89 | 2,489.37 | 145.25 | | 10,457.51 | 1,185.31 | 11,642.82 | | 9.48 | 50.07 | 827.98 |
| City of Kibler Road | 2,382.43 | 746.81 | 43.58 | | 3,172.82 | 320.03 | 3,492.85 | | 2.87 | 15.19 | 246.39 |
| City of Chester General | 316.68 | 235.90 | 207.32 | | 759.90 | 261.12 | 1,021.02 | | 0.69 | 3.64 | 69.12 |
| City of Chester Road | 95.00 | 70.77 | 62.19 | | 227.96 | 78.34 | 306.30 | | 0.21 | 1.09 | 19.59 |
| City of Mountainburg General | 1,301.96 | 793.41 | 760.88 | | 2,856.25 | 1,347.58 | 4,203.83 | | 2.58 | 13.68 | 260.17 |
| City of Mountainburg Road | 1,843.56 | 700.06 | 671.37 | | 3,214.99 | 494.27 | 3,709.26 | | 2.90 | 15.39 | 255.38 |
| City of Mountainburg Pension | 300.01 | 186.68 | 179.03 | | 665.72 | 323.42 | 989.14 | | 0.60 | 3.19 | 60.97 |
| City of Alma General | 32,532.57 | 11,090.57 | 4,423.46 | | 48,046.60 | 5,569.92 | 53,616.52 | | 43.50 | 230.06 | 3,788.84 |
| City of Alma Road | 16,765.95 | 5,366.41 | 2,140.38 | | 24,272.74 | 1,670.74 | 25,943.48 | | 21.98 | 116.23 | 1,858.23 |
| City of Alma Pension | 4,192.37 | 1,431.04 | 570.77 | | 6,194.18 | 724.09 | 6,918.27 | | 5.61 | 29.66 | 488.67 |
| City of Dyer General | 3,438.45 | 1,214.02 | 2,072.55 | | 6,725.02 | 970.04 | 7,695.06 | | 6.06 | 32.20 | 540.41 |
| City of Dyer Road | 1,031.53 | 364.21 | 621.77 | | 2,017.51 | 291.01 | 2,308.52 | | 1.82 | 9.66 | 159.59 |
| City of Rudy General | 104.81 | 143.05 | 35.52 | | 283.38 | 78.45 | 361.83 | | 0.26 | 1.36 | 24.17 |
| City of Rudy Road | 159.72 | 143.05 | 35.52 | | 338.29 | 23.54 | 361.83 | | 0.31 | 1.62 | 25.91 |
| City of Mulberry General | 9,815.91 | 4,134.90 | 2,027.82 | | 15,978.63 | 3,758.04 | 19,736.67 | | 14.43 | 76.51 | 1,335.44 |
| City of Mulberry Road | 5,235.39 | 1,938.23 | 950.54 | | 8,124.16 | 1,127.41 | 9,251.57 | | 7.34 | 38.90 | 641.22 |
| City of Mulberry Voluntary | 4,105.88 | 1,292.16 | 461.40 | | 5,859.44 | | 5,859.44 | | 5.31 | 28.06 | 440.05 |
| Total Cities | 289,614.07 | 116,376.55 | 32,111.99 | | 438,102.61 | 49,341.96 | 487,444.57 | | 396.71 | 2,097.77 | 34,443.26 |
| Improvement #1 | 9,381.92 | | | | 9,381.92 | | 9,381.92 | | 8.50 | 44.92 | 308.40 |
| Improvement #2 | 12,620.80 | | | | 12,620.80 | | 12,620.80 | | 11.44 | 60.43 | 482.88 |
| Total Improvement | 22,002.72 | | | | 22,002.72 | | 22,002.72 | | 19.94 | 105.35 | 791.28 |
| Timber Tax | 26,028.42 | | | | 26,028.42 | | 26,028.42 | | 23.58 | 124.63 | 1,980.92 |
| Total Tax, Penalty | 5,041,310.70 | 2,045,587.24 | 1,090,587.91 | | 8,189,346.13 | | 9,280,559.13 | | 7,413.70 | 39,201.83 | 652,006.05 |
| Late Assess. / Delq. Pers. Penalty / Homestead Penalty | | | | 9,579.28 | | | | | | | |
| Late Payment Penalty - Prorated | | | | 7,413.70 | 7,413.70 | | 7,413.70 | | (7,413.70) | | |
| Assessor's Fees | | | | 825.00 | | | | | | | |
| Cost Collected | | | | 1,456.00 | | | | | | | |
| Total Tax, Penalty and Cost | 5,041,310.70 | 2,045,587.24 | 1,090,587.91 | 19,273.98 | 8,196,759.83 | 1,091,213.00 | 9,287,972.83 | | | 39,201.83 | 652,006.05 |

EXHIBIT 4

SAMPLE COUNTY, ARKANSAS
COMBINED TAX SETTLEMENT
200X TAXES COLLECTED IN 200X

| | NOTE 1 PRORATION ADJUSTMENTS | AMOUNT DUE ACCOUNTS | LESS PRIOR DISTRIBUTION | FINAL DISTRIBUTION | REGULAR 0.0400184 COLLECTOR'S COMMISSION | 0.0339965 ASSESSOR'S SALARY AND EXPENSE | REAPPRAISAL EXPENSE | 0.0088916 COST PRORATED REAL | 0.0215454 COST PRORATED PERSONAL | CLERK'S FEES | 0.0001938 EQUALIZATION BOARD |
|---|------------------------------------|---------------------------|-------------------------------|-----------------------|---|--|------------------------|---------------------------------------|---|-----------------|------------------------------------|
| School Districts | | | | | | | | | | | |
| #16 | | 359,760.80 | 336,813.67 | 22,947.13 | 15,555.65 | 15,096.67 | | 156.41 | 270.01 | | 86.06 |
| #30 | | 1,390,308.60 | 1,313,972.75 | 76,335.85 | 60,138.91 | 59,015.16 | | 376.71 | 1,161.81 | | 336.42 |
| #42 | | 3,633,653.74 | 3,395,994.08 | 237,659.66 | 157,094.57 | 152,685.59 | | 1,126.39 | 2,480.04 | | 870.40 |
| #44 | | 243,112.86 | 223,054.33 | 20,058.53 | 10,510.03 | 10,059.36 | | 132.41 | 253.44 | | 57.34 |
| #101 | | 260,956.88 | 221,094.12 | 39,862.76 | 11,241.52 | 9,955.29 | | 123.70 | 173.71 | | 56.75 |
| Total Schools | | 5,887,792.89 | 5,490,928.95 | 396,863.94 | 254,540.68 | 246,812.07 | | 1,915.62 | 4,339.01 | | 1,406.97 |
| County General | 2,760.28 | 363,763.85 | 334,139.24 | 29,624.61 | 15,922.24 | 22,747.48 | | 115.61 | 258.40 | | 85.21 |
| County Road | | 423,301.69 | 374,717.47 | 48,584.22 | 18,268.39 | 16,841.36 | | 183.43 | 408.02 | | 96.01 |
| County Hospital Bond | | 195,556.27 | 195,567.98 | (11.71) | 8,114.00 | 7,731.54 | | 60.85 | 136.01 | | 44.07 |
| County Library | | 262,333.91 | 240,799.35 | 21,534.56 | 11,333.88 | 10,824.15 | | 85.19 | 190.41 | | 61.70 |
| Assessor | 314,681.17 | 315,506.17 | 288,675.35 | 26,830.82 | | | | | | | |
| Collector | 334,564.60 | 336,020.60 | 99,655.74 | 236,364.86 | | | | | | | |
| Total County | 652,006.05 | 1,896,482.50 | 1,533,555.13 | 362,927.37 | 53,638.51 | 50,412.99 | | 445.08 | 992.84 | | 286.99 |
| City of Van Buren General | | 152,332.39 | 142,572.82 | 9,759.57 | 6,586.35 | 6,409.04 | | 49.49 | 106.48 | | 36.54 |
| City of Van Buren Road | | 124,876.01 | 106,933.44 | 17,942.57 | 5,375.45 | 4,810.70 | | (0.34) | | | 27.42 |
| City of Kibler General | | 9,689.08 | 8,624.50 | 1,064.58 | 418.49 | 395.82 | | 6.62 | 4.79 | | 2.26 |
| City of Kibler Road | | 2,944.49 | 2,587.40 | 357.09 | 126.97 | 118.74 | | | | | 0.68 |
| City of Chester General | | 695.11 | 782.82 | (87.71) | 30.41 | 34.71 | | 1.32 | 2.48 | | 0.20 |
| City of Chester Road | | 209.67 | 234.92 | (25.25) | 9.12 | 10.41 | | | | | 0.06 |
| City of Mountainburg General | | 2,612.34 | 3,204.09 | (591.75) | 114.30 | 142.92 | | 0.84 | 1.30 | | 0.81 |
| City of Mountainburg Road | | 2,977.90 | 2,827.17 | 150.73 | 128.66 | 126.10 | | (0.10) | | | 0.72 |
| City of Mountainburg Pension | | 608.54 | 753.92 | (145.38) | 26.64 | 33.63 | | 0.20 | 0.31 | | 0.19 |
| City of Alma General | | 44,531.32 | 40,636.27 | 3,895.05 | 1,922.75 | 1,822.77 | | 6.38 | 26.55 | | 10.39 |
| City of Alma Road | | 22,552.72 | 19,662.01 | 2,890.71 | 971.36 | 881.99 | | (0.15) | | | 5.03 |
| City of Alma Pension | | 5,740.78 | 5,243.43 | 497.35 | 247.88 | 235.20 | | 0.82 | 3.43 | | 1.34 |
| City of Dyer General | | 6,222.87 | 5,828.23 | 394.64 | 269.12 | 261.61 | | 1.93 | 6.26 | | 1.49 |
| City of Dyer Road | | 1,869.40 | 1,748.51 | 120.89 | 80.74 | 78.48 | | (0.08) | | | 0.45 |
| City of Rudy General | | 260.83 | 276.85 | (16.02) | 11.34 | 12.30 | | 0.02 | 0.44 | | 0.07 |
| City of Rudy Road | | 314.31 | 276.85 | 37.46 | 13.54 | 12.30 | | | | | 0.07 |
| City of Mulberry General | | 14,734.13 | 14,954.65 | (220.52) | 639.44 | 670.98 | | 10.06 | 11.14 | | 3.82 |
| City of Mulberry Road | | 7,529.18 | 7,010.28 | 518.90 | 325.12 | 314.52 | | (0.21) | | | 1.79 |
| City of Mulberry Voluntary | | 5,452.76 | 4,420.83 | 1,031.93 | 234.49 | 199.20 | | | 5.22 | | 1.14 |
| Total Cities | | 406,153.83 | 368,578.99 | 37,574.84 | 17,532.17 | 16,571.42 | | 76.80 | 168.40 | | 94.47 |
| Improvement #1 | | 9,126.94 | 7,655.02 | 1,471.92 | 129.00 | | | | | 179.40 | |
| Improvement #2 | | 12,209.79 | 10,439.05 | 1,770.74 | 252.42 | | | | | 230.46 | |
| Total Improvement | | 21,336.73 | 18,094.07 | 3,242.66 | 381.42 | | | | | 409.86 | |
| Timber Tax | | 24,195.71 | 19,708.30 | 4,487.41 | 520.57 | 884.88 | | 13.48 | | 556.95 | 5.04 |
| Total Tax, Penalty Late Assess. / Delq. Pers. Penalty / Ho Late Payment Penalty - Prorated Assessor's Fees Cost Collected | 652,006.05 | 8,235,961.66 | 7,430,865.44 | 805,096.22 | 326,613.35 | 314,681.17 | | 2,451.00 | 5,500.25 | 966.81 | 1,793.47 |
| Total Tax, Penalty and Cost | 652,006.05 | 8,235,961.66 | 7,430,865.44 | 805,096.22 | 326,613.35 | 314,681.17 | | 2,451.00 | 5,500.25 | 966.81 | 1,793.47 |

EXHIBIT 4

**SAMPLE COUNTY, ARKANSAS
COMBINED TAX SETTLEMENT
200X TAXES COLLECTED IN 200X**

| | COUNTY ATTORNEY | COLLECTOR'S BOND | TOTAL PRORATIONS | RECONCILIATION OF TOTAL NET TAX TO AMOUNT DUE ACCOUNTS |
|---|--------------------|---------------------|---------------------|---|
| School Districts | | | | |
| #16 | | | 31,164.80 | NET TAX 8,196,759.83 |
| #30 | | | 121,029.01 | INTEREST |
| #42 | | | 314,256.99 | PRORATED 39,201.83 |
| #44 | | | 21,012.58 | |
| #101 | | | 21,550.97 | AMOUNT DUE |
| Total Schools | | | 509,014.35 | ACCOUNTS 8,235,961.66 |
| County General | | | 39,128.77 | NOTE: |
| County Road | | | 35,797.21 | ROUNDING HAS BEEN ACCOUNTED |
| County Hospital Bond | | | 8,354.93 | FOR BY ADDING OR SUBTRACTING |
| County Library | | | 22,495.33 | IMMATERIAL AMOUNTS TO OR FROM |
| Assessor | | | | COUNTY GENERAL. |
| Collector | | | | |
| Total County | | | 105,776.24 | NOTE: |
| City of Van Buren General | | | 13,187.90 | SAMPLE COUNTY DOES NOT HAVE A |
| City of Van Buren Road | | | 10,213.23 | FUNCTIONING EXECUTIVE COUNCIL AND |
| City of Kibler General | | | 827.98 | FULL-TIME SCHOOL DISTRICT COORDINATOR |
| City of Kibler Road | | | 246.39 | ACCORDINGLY 100% OF DELINQUENT |
| City of Chester General | | | 69.12 | PERSONAL PENALTIES ARE ADDED |
| City of Chester Road | | | 19.59 | TO COUNTY GENERAL. |
| City of Mountainburg General | | | 260.17 | NOTE 1: |
| City of Mountainburg Road | | | 255.38 | AMOUNT ADDED TO COUNTY GENERAL |
| City of Mountainburg Pension | | | 60.97 | CONSISTS OF CLERK'S FEES, EQUAL- |
| City of Alma General | | | 3,788.84 | IZATION BOARD, COUNTY ATTORNEY, |
| City of Alma Road | | | 1,858.23 | COLLECTOR'S BOND AND, IF APPLICABLE, |
| City of Alma Pension | | | 488.67 | REAPPRAISAL EXPENSE. |
| City of Dyer General | | | 540.41 | AMOUNT ADDED TO ASSESSOR CONSISTS |
| City of Dyer Road | | | 159.59 | OF ASSESSOR'S SALARY AND EXPENSE. |
| City of Rudy General | | | 24.17 | AMOUNT ADDED TO COLLECTOR CONSISTS |
| City of Rudy Road | | | 25.91 | OF COLLECTOR'S COMMISSION, COST |
| City of Mulberry General | | | 1,335.44 | PRORATED REAL AND PERSONAL. |
| City of Mulberry Road | | | 641.22 | |
| City of Mulberry Voluntary | | | 440.05 | |
| Total Cities | | | 34,443.26 | |
| Improvement #1 | | | 308.40 | |
| Improvement #2 | | | 482.88 | |
| Total Improvement | | | 791.28 | |
| Timber Tax | | | 1,980.92 | |
| Total Tax, Penalty | | | 652,006.05 | |
| Late Assess. / Delq. Pers. Penalty / Ho | | | | |
| Late Payment Penalty - Prorated | | | | |
| Assessor's Fees | | | | |
| Cost Collected | | | | |
| Total Tax, Penalty and Cost | | | 652,006.05 | |

EXHIBIT 5

**SAMPLE COUNTY, ARKANSAS
COLLECTOR'S COMMISSION AND RATE SHEET
20XX TAXES COLLECTED IN 20XX**

III. Assessor's Salary and Expense (Ark. Code ann. 14-15-203 and 204)

| | | | |
|--|-----------------|-------------------|--|
| 315,506.17 less | 825.00 = | 314,681.17 | |
| Office Expense | Assessor's Fees | Amount to Prorate | |
| 314,681.17 / (line 9 + homestead credit) | | 9,256,275.41 = | <input type="text" value="0.0339965"/> rate - Note 1 |

IV. Reappraisal Expense (Note 3)

This manual does not include any excess reappraisal expense

| | | | |
|---------------------|-----------------------------|----------------------|---------------|
| / | = | <input type="text"/> | rate - Note 1 |
| Cost of Reappraisal | (line 9 + homestead credit) | | |

V. Advertising Cost

| | | |
|-------------------------|---|--|
| 2,451.00 / | 275,652.15 = | <input type="text" value="0.0088916"/> rate - Note 1 |
| Cost Prorated - Real | Delq. Real Estate Tax less Delq. Imp. Tax | |
| (from cost sheet-Exh 6) | less Delq. Homestead Credit Amount | |

| | | |
|--------------------------|-----------------|--|
| 5,500.25 / | 255,287.07 = | <input type="text" value="0.0215454"/> rate - Note 1 |
| Cost Prorated - Personal | Delq. Pers. Tax | |
| (from cost sheet-Exh 6) | | |

V1. Clerk's Fees

| | | | |
|-----------------|-----------------|---------|----------------------|
| Improvement Tax | | | |
| #1 | 8,970.00 x | 2.0 % = | 179.40 |
| #2 | 11,523.00 x | 2.0 % = | <u>230.46</u> |
| | Original Charge | | 409.86 |
| | | | Note 2 |
| Timber Tax | | | |
| | 27,847.40 x | 2.0 % = | <u>556.95</u> |
| | Original Charge | | <u><u>966.81</u></u> |

VII. County Civil Attorney

| | | | |
|-----------------|-------------------------------|----------------|---|
| Office Expenses | / (line 9 + homestead credit) | 9,256,275.41 = | <input type="text" value=".xxxxxxx"/> rate - Note 1 |
|-----------------|-------------------------------|----------------|---|

VIII County Equalization Board

| | | |
|--|----------------|--|
| 1,793.47 / (line 9 + homestead credit) | 9,256,275.41 = | <input type="text" value="0.0001938"/> rate - Note 1 |
| Expenses | | |

IX. Collector's and Treasurer's Interest

| | | |
|-----------------------|----------------|--|
| 39,201.83 / (line 13) | 8,187,065.13 = | <input type="text" value="0.0047883"/> rate - Note 1 |
| Interest | | |

EXHIBIT 5

**SAMPLE COUNTY, ARKANSAS
COLLECTOR'S COMMISSION AND RATE SHEET
20XX TAXES COLLECTED IN 20XX**

X. Assessor's Fee (Ark. Code Ann. 26-26-201)

An Assessor's fee of 50 cents shall be charged on each delinquent personal assessment for the benefit of the Assessor and shall be collected by the tax collector in the usual manner and paid into the assessor's late assessment fee fund. The expenses from this fund would not be included to calculate Assessor's Salary and Expense reimbursement factor.

XI. Postage (Ark. Code Ann. 26-35-706)

The Tax Collector may charge a first class postage fee for mailing tax statements. If the postage fee is collected, the postage fees are to be accounted for on the Collector's final settlement or the postage fees received may be used to purchase postage that month with the remaining postage fees being turned over to county general each month.

XII. Collector's Solid Waste Fee (Ark. Code Ann. 8-6-212)

The Tax Collector may charge an additional two dollars and fifty cents (\$2.50) when the Tax Collector maintains a separate tax book for solid waste accounts. This manual does not include Collector's solid waste fee in the example tax settlement.

XIII. Collector's Bond Premium

The cost of surety bond coverage for the Collector's Office is a reimbursable item by the various taxing units. Under the Arkansas Fidelity Bond Trust program, the premium for surety bond coverage is withheld by the state from the particular county's share of state turn back funds (Ark. Code Ann. 21-2-710). Arkansas Legislative Audit has suggested, as a recommendation only, the percentage of total bond premium applicable to the Tax Collector's Office to be 20% of total bond premium. Total bond premium for any particular county is determined by the State Risk Manager's Office of the Arkansas Insurance Department. Since converting to a self insurance type of bonding program, premiums have reduced and generally are not a material dollar amount. Accordingly this manual does not include a proration of bond premium.

Note: If Collector's bond premium is prorated against the taxing units, the amount of total Collector's Office expense must be reduced by the premium amount for the purpose of computing Collector's excess commission.

NOTE 1:

All rates should be extended to at least seven (7) decimal places.

NOTE 2:

Rates for improvement districts should be specified in the district's charter.

NOTE 3:

This calculation would be made if the County's reappraisal expenses exceeded the reimbursement from the State's Real Property Reappraisal Fund. If the reappraisal expenses are included as part of the Assessor's Salary and Expense (Section III.) or the County Equalization Board expense (Section VIII.), this calculation and subsequent proration would not be made as indicated in Section IV.

EXHIBIT 6

**SAMPLE COUNTY, ARKANSAS
SCHEDULE OF PRINTER'S COST, CLERK'S FEES
AND COLLECTOR'S FEES FOR 20XX TAXES COLLECTED IN 20XX**

| <u>Code Reference</u> | | | |
|---------------------------|--|--|------------------------|
| | DELINQUENT REAL ESTATE: | | |
| 26-37-102 | 1,632 Tracts advertised @ \$1.50 each | | 2,448.00 |
| 26-37-107 | 2 Tracts advertised erroneously @ \$1.50 each | | <u>3.00</u> |
| | TOTAL COST PRORATED - DELINQUENT REAL ESTATE | | 2,451.00 |
| | COST PAID AFTER OCTOBER 15TH AFTER PUBLICATION | | |
| 26-37-102 | 448 Tracts Advertised @ \$1.50 each | | <u>672.00</u> |
| 26-37-107 | | | |
| | TOTAL COST COLLECTED AFTER OCTOBER 15TH AFTER PUBLICATION | | 672.00 |
| | DELINQUENT PERSONAL | | |
| 26-36-203 | 3,143 Names advertised @ \$1.25 each | | 3,928.75 |
| | 3,143 Names furnished and prepared - Collector's fees @ \$.50 each | | <u>1,571.50</u> |
| | TOTAL COST PRORATED - PERSONAL | | 5,500.25 |
| | DELINQUENT PERSONAL COLLECTED | | |
| 26-36-203 | 448 Names advertised @ \$1.25 each | | 560.00 |
| | 448 Names furnished and prepared - Collector's fees @ \$.50 each | | <u>224.00</u> |
| | TOTAL COST COLLECTED - PERSONAL | | <u>784.00</u> |
| | GRAND TOTAL | | <u><u>9,407.25</u></u> |
| | SUMMARY: | | |
| | 2,082 Tracts advertised @ \$1.50 each | | 3,123.00 |
| | 3,591 Names delinquent personal advertised @ \$1.25 each | | 4,488.75 |
| | 3,591 Names furnished and prepared - Collector's fees @ \$.50 each | | <u>1,795.50</u> |
| | TOTAL | | <u><u>9,407.25</u></u> |

EXHIBIT 7

**SAMPLE COUNTY, ARKANSAS
DISTRIBUTION OF MONTHLY AD VALOREM TAXES
FOR THE YEAR 20XX**

| | |
|--|------------------|
| Total tax collected: (For any one month) | 987,661.97 |
| Less: 5% Collector's Unapportioned Fund | 49,383.10 |
| Less: 2 1/2% Assessor's distribution | 24,691.55 |
| Less: 2 1/2% Collector's distribution | <u>24,691.55</u> |

Total tax distributed 888,895.77

Rate: Total tax distributed 888,895.77 divided by 8,187,065.13 = 0.1085732

| | Net Tax Collected | Distribution |
|----------------------|----------------------------|--------------------------|
| School Districts | | |
| #16 | 388,712.54 | 42,203.76 |
| #30 | 1,502,781.41 | 163,161.79 |
| #42 | 3,925,558.43 | 426,210.44 |
| #44 | 262,629.92 | 28,514.57 |
| #101 | 280,908.85 | 30,499.17 |
| Total Schools | <u>6,360,591.16</u> | <u>690,589.73</u> |
| County General | 397,867.16 | 43,197.92 |
| County Road | 456,499.66 | 49,563.63 |
| County Hospital Bond | 202,756.74 | 22,013.95 |
| County Library | 283,216.65 | 30,749.74 |
| Total County | <u>1,340,340.22</u> | <u>145,525.24</u> |
| Van Buren General | 164,583.14 | 17,869.32 |
| Van Buren Road | 134,324.37 | 14,584.03 |
| Kibler General | 10,457.51 | 1,135.41 |
| Kibler Road | 3,172.82 | 344.48 |
| Chester General | 759.90 | 82.50 |
| Chester Road | 227.96 | 24.75 |
| Mountainburg General | 2,856.25 | 310.11 |
| Mountainburg Road | 3,214.99 | 349.06 |
| Mountainburg Pension | 665.72 | 72.28 |
| Alma General | 48,046.60 | 5,216.57 |
| Alma Road | 24,272.74 | 2,635.37 |
| Alma Pension | 6,194.18 | 672.52 |
| Dyer General | 6,725.02 | 730.16 |
| Dyer Road | 2,017.51 | 219.05 |
| Rudy General | 283.38 | 30.77 |
| Rudy Road | 338.29 | 36.73 |
| Mulberry General | 15,978.63 | 1,734.85 |
| Mulberry Road | 8,124.16 | 882.07 |
| Mulberry Voluntary | 5,859.44 | 636.18 |
| Total Cities | <u>438,102.61</u> | <u>47,566.21</u> |
| Improvement #1 | 9,381.92 | 1,018.63 |
| Improvement #2 | 12,620.80 | 1,370.28 |
| Total Improvements | <u>22,002.72</u> | <u>2,388.91</u> |
| Timber Tax | 26,028.42 | 2,825.99 |
| TOTAL | <u>8,187,065.13</u> | <u>888,896.08</u> |

::

| | |
|-------------------------------------|----------------------------|
| Note 1: Total Net Tax | 8,196,759.83 |
| Less: Assessor's Fees | 825.00 |
| Less: Cost Collected | 1,456.00 |
| Less: Late Payment Penalty Prorated | <u>7,413.70</u> |
| Adjusted Net tax | <u><u>8,187,065.13</u></u> |

Note 2: Rate would be figured each month on amount of taxes collected.

Note 3: Material millage changes from one year to the next would need to be taken into consideration.

Note 4: For purposes of this example, total net tax is taken from current year figures. This is done so that numbers can be easily traced through this manual. Actual monthly distribution is based on prior year's net tax.

EXHIBIT 8

**SAMPLE COUNTY, ARKANSAS
DISTRIBUTION OF MONTHLY AMENDMENT 79 SALES TAXES
FOR THE YEAR 20XX**

Ark. Code Ann. 26-26-310 gives guidance for the distribution of the monthly sales tax rebate to the counties pursuant to Amendment 79. (Act 1275 of 2001, Amended by Act 659 of 2005)

This sample distribution does not take into consideration any applicable Treasurer's Commission.

| | |
|---|--------------|
| Homestead Credit as Certified by the Collector (March 31st) | 1,085,693.00 |
| Amendment 79 Sales Tax Rebate for the Month | 90,750.00 |
| Less 4% Collector's Commission | 3,630.00 |
| Amount to Distribute | 87,120.00 |
| Distribution Percentage (87,120.00 / 1,085,693.00) = | 0.08024368 |

| | HOMESTEAD CREDIT | RATE | MONTHLY SALES TAX DISTRIBUTION |
|------------------------------|---------------------|------------|--------------------------------------|
| School Districts | | | |
| #16 | 54,852.72 | 0.08024368 | 4,401.58 |
| #30 | 232,137.16 | 0.08024368 | 18,627.54 |
| #42 | 563,656.45 | 0.08024368 | 45,229.87 |
| #44 | 33,250.00 | 0.08024368 | 2,668.10 |
| #101 | 11,748.45 | 0.08024368 | 942.74 |
| Total Schools | <u>895,644.78</u> | | <u>71,869.83</u> |
| County General | 42,812.96 | 0.08024368 | 3,435.47 |
| County Road | 38,550.12 | 0.08024368 | 3,093.40 |
| County Hospital Bond | 24,650.75 | 0.08024368 | 1,978.07 |
| County Library | 35,122.78 | 0.08024368 | 2,818.38 |
| Total County | <u>141,136.61</u> | | <u>11,325.32</u> |
| City of Van Buren General | 23,755.85 | 0.08024368 | 1,906.26 |
| City of Van Buren Road | 7,126.76 | 0.08024368 | 571.88 |
| City of Kibler General | 1,175.31 | 0.08024368 | 94.31 |
| City of Kibler Road | 352.59 | 0.08024368 | 28.29 |
| City of Chester General | 261.12 | 0.08024368 | 20.95 |
| City of Chester Road | 78.34 | 0.08024368 | 6.29 |
| City of Mountainburg General | 1,347.58 | 0.08024368 | 108.13 |
| City of Mountainburg Road | 494.27 | 0.08024368 | 39.66 |
| City of Mountainburg Pension | 323.42 | 0.08024368 | 25.95 |
| City of Alma General | 5,435.89 | 0.08024368 | 436.20 |
| City of Alma Road | 1,630.77 | 0.08024368 | 130.86 |
| City of Alma Pension | 724.09 | 0.08024368 | 58.10 |
| City of Dyer General | 970.04 | 0.08024368 | 77.84 |
| City of Dyer Road | 291.01 | 0.08024368 | 23.35 |
| City of Rudy General | 78.45 | 0.08024368 | 6.30 |
| City of Rudy Road | 23.54 | 0.08024368 | 1.89 |
| City of Mulberry General | 3,725.06 | 0.08024368 | 298.91 |
| City of Mulberry Road | 1,117.52 | 0.08024368 | 89.67 |
| City of Mulberry Voluntary | | | |
| Total Cities | <u>48,911.61</u> | | <u>3,924.85</u> |
| Improvement #1 | | | |
| Improvement #2 | | | |
| Total Improvement | | | |
| Timber Tax | | | |
| Total | <u>1,085,693.00</u> | | <u>87,120.00</u> |

EXHIBIT 9

**SAMPLE COUNTY, ARKANSAS
AMENDMENT 79 SALES TAX FINAL SETTLEMENT
FOR THE YEAR 20XX**

| | November 15, 20XX Final Homestead Credit Certification | Collector's 4% Commission | November 15, 20XX Final Homestead Credit Certification Due Accounts | Distributed to Taxing Units Through November 15th | Amount Due Accounts | Final Sales Tax Distribution Rate for 20XX |
|------------------------------|---|------------------------------|---|--|------------------------|--|
| #16 | 55,352.77 | (2,214.11) | 53,138.66 | 35,353.93 | 17,784.73 | 0.04869687 |
| #30 | 233,137.16 | (9,325.49) | 223,811.67 | 148,905.19 | 74,906.49 | 0.20510356 |
| #42 | 565,656.46 | (22,626.26) | 543,030.20 | 361,285.95 | 181,744.25 | 0.49763905 |
| #44 | 33,264.03 | (1,330.56) | 31,933.47 | 21,245.80 | 10,687.66 | 0.02926419 |
| #101 | 11,924.04 | (476.96) | 11,447.08 | 7,615.91 | 3,831.17 | 0.01049023 |
| Total Schools | 899,334.46 | (35,973.38) | 863,361.08 | 574,406.78 | 288,954.30 | |
| County General | 43,812.96 | (1,752.52) | 42,060.44 | 27,983.43 | 14,077.01 | 0.03854467 |
| Collector's Account | | 43,648.52 | 43,648.52 | 29,040.00 | 14,608.52 | 0.04000000 |
| County Road | 38,885.40 | (1,555.42) | 37,329.98 | 24,836.19 | 12,493.80 | 0.03420962 |
| County Hospital Bond | 24,664.77 | (986.59) | 23,678.18 | 15,753.44 | 7,924.74 | 0.02169895 |
| County Library | 35,173.45 | (1,406.94) | 33,766.51 | 22,465.36 | 11,301.16 | 0.03094402 |
| Total County | 142,536.58 | 37,947.06 | 180,483.64 | 120,078.41 | 60,405.23 | |
| City of Van Buren General | 23,937.42 | (957.50) | 22,979.92 | 15,288.88 | 7,691.04 | 0.02105906 |
| City of Van Buren Road | 7,181.23 | (287.25) | 6,893.98 | 4,586.67 | 2,307.31 | 0.00631772 |
| City of Kibler General | 1,185.31 | (47.41) | 1,137.90 | 757.06 | 380.84 | 0.00104278 |
| City of Kibler Road | 320.03 | (12.80) | 307.23 | 204.40 | 102.82 | 0.00028155 |
| City of Chester General | 261.12 | (10.44) | 250.68 | 166.78 | 83.90 | 0.00022972 |
| City of Chester Road | 78.34 | (3.13) | 75.21 | 50.04 | 25.17 | 0.00006892 |
| City of Mountainburg General | 1,347.58 | (53.90) | 1,293.68 | 860.70 | 432.97 | 0.00118554 |
| City of Mountainburg Road | 494.27 | (19.77) | 474.50 | 315.69 | 158.81 | 0.00043484 |
| City of Mountainburg Pension | 323.42 | (12.94) | 310.48 | 206.57 | 103.91 | 0.00028453 |
| City of Alma General | 5,569.92 | (222.80) | 5,347.12 | 3,557.52 | 1,789.60 | 0.00490016 |
| City of Alma Road | 1,670.74 | (66.83) | 1,603.91 | 1,067.11 | 536.81 | 0.00146984 |
| City of Alma Pension | 724.09 | (28.96) | 695.13 | 462.48 | 232.65 | 0.00063702 |
| City of Dyer General | 970.04 | (38.80) | 931.24 | 619.57 | 311.67 | 0.00085340 |
| City of Dyer Road | 291.01 | (11.64) | 279.37 | 185.87 | 93.50 | 0.00025602 |
| City of Rudy General | 78.45 | (3.14) | 75.31 | 50.11 | 25.21 | 0.00006902 |
| City of Rudy Road | 23.54 | (0.94) | 22.60 | 15.04 | 7.56 | 0.00002071 |
| City of Mulberry General | 3,758.04 | (150.32) | 3,607.72 | 2,400.27 | 1,207.45 | 0.00330615 |
| City of Mulberry Road | 1,127.41 | (45.10) | 1,082.31 | 720.08 | 362.23 | 0.00099184 |
| City of Mulberry Voluntary | | 0.00 | 0.00 | | | |
| Total Cities | 49,341.96 | (1,973.68) | 47,368.28 | 31,514.81 | 15,853.47 | |
| Improvement #1 | | | | | | |
| Improvement #2 | | | | | | |
| Total Improvement | | | | | | |
| Timber Tax | | | | | | |
| Total | 1,091,213.00 | 0.00 | 1,091,213.00 | 726,000.00 | 365,213.00 | 1.00000000 |

EXHIBIT 9 (Continued)

**SAMPLE COUNTY, ARKANSAS
AMENDMENT 79 SALES TAX FINAL SETTLEMENT
FOR THE YEAR 20XX**

Amendment 79 implementing legislation calls for homestead credit certifications to be made three (3) times each year, March 31st, June 30th, and November 15th. In no event shall the amount of Amendment 79 sales tax distributed to the counties during a calendar year exceed the final amount certified by the collector as of November 15th. This will require each county to determine a final amount due each taxing unit for the sales tax rebate from the state. Once the November 15th recertification is made a ratio should be determined based on the amount that is due each taxing unit as related to the total amount due the county. That ratio should then be used to distribute any state sales tax dollars that are distributed to the county after November 15th for that calendar year.

Care should be taken to ensure as accurate a monthly distribution of sales tax as is possible. The more accurate the certifications in March, June, and November, the more accurate the monthly distributions will be. Material errors in homestead credit amounts certified to the state will cause material errors in the monthly distribution of sales tax. That is why it is important to calculate the final sales tax distribution ratio as soon as is possible after the November 15th final homestead credit certification. Should material errors have been made in previous certifications, the timely calculation of the final sales tax distribution ratio will allow the county to correct the resulting inaccurate previous monthly distributions before the final sales tax payment from the state is received.

**GENERAL INFORMATION PERTAINING TO
AD VALOREM TAXATION**



| | |
|--|----|
| 25% PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES WHERE COLLECTOR MUST DISTRAIN GOODS AND CHATTELS MUST GO TO COUNTY SCHOOL FUND (ARK. CODE ANN. 26-36-206) | NR |
| LEGISLATIVE AUDIT MEMO DATED JANUARY 14, 1986 - REDEMPTION OF TAX DELINQUENT LANDS | 49 |
| ARKANSAS PUBLIC SERVICE COMMISSION - AD VALOREM TAX PROTEST FUND (ARK. CODE ANN. 26-26-1610) | NR |
| COMPUTERIZED TAX ASSESSMENT AND COLLECTION (ARK. CODE ANN. 26-28-301) | NR |
| CERTIFICATION OF TAX-DELINQUENT LANDS TO STATE LAND COMMISSIONER. (ARK. CODE ANN. 26-37-101) | NR |
| DELINQUENT REAL BOOK TO BE A PERMANENT RECORD. (ARK. CODE ANN. 26-37-106) | NR |
| REDEMPTION OF TAX DELINQUENT LANDS - ALL FUNDS, INCLUDING ANY PENALTY INTEREST AND COSTS, ARE TO BE DISTRIBUTED TO THE APPLICABLE TAXING UNITS WHERE THE DELINQUENT LAND IS LOCATED WITHIN THE COUNTY IN THE MANNER AND PROPORTION THAT THE TAXES WOULD HAVE BEEN DISTRIBUTED IF THEY HAD BEEN COLLECTED IN THE YEAR DUE. (ARK. CODE ANN. 26-37-205) | NR |
| PHYSICAL COPY OF TAX BOOK MUST BE PREPARED - ANY CHANGES, AMENDMENTS, ADJUSTMENTS MUST BE NOTED IN TAX BOOK. (ARK. CODE ANN. 26-28-101 THROUGH 26-28-104) | NR |
| AMENDMENT 79 TO THE ARKANSAS CONSTITUTION | 53 |

NOTE: Certain general information items have not been reproduced for inclusion in this booklet. These items, in lieu of a page number, will instead have the notation "NR" (Not Reproduced) in the index.

SPL. SCH. DIST. OF FT. SMITH v. SEBASTIAN CO., 277 Ark. 326 (1982)
SPECIAL SCHOOL DISTRICT OF FORT SMITH #100 v. SEBASTIAN COUNTY, Arkansas
641 S.W.2d 702
No. 82-188

Supreme Court of Arkansas
Opinion delivered November 8, 1982
[Rehearing denied December 6, 1982.]
[Opinion amended December 13, 1982.]

1. TAX - TAX LEVIED FOR ONE PURPOSE CANNOT BE USED FOR ANOTHER PURPOSE. - No tax shall be levied except in pursuance of law, and every law imposing a tax shall state distinctly the object of the same; and no moneys arising from a tax levied for one purpose shall be used for another. [Ark. Const., Art. 16 11.]
2. SHERIFF - SHERIFF/COLLECTOR'S OFFICE IS TWO SEPARATE OFFICES. - The sheriff/collector's office constitutes two distinct and separate offices.
3. CONSTITUTIONAL LAW - SHERIFFS EXPENSES CANNOT BE FUNDED BY SCHOOL MONEYS. - The sheriff's expenses cannot be funded by monies raised for school purposes. [Ark. Const., Art. 16 11.]
4. CONSTITUTIONAL LAW - LIMITED USE OF SCHOOL FUNDS. - The use of school funds for other than their intended purpose is specifically limited by Ark. Const., Art. 14 2, and Amendment 40.
5. CONSTITUTIONAL LAW - PROSPECTIVE CHANGES IN THE LAW - GIVEN IMMEDIATE EFFECT IN THIS CASE. - Although the law is changed prospectively, in this case our decision is given immediate effect so that the efforts of a litigant to bring about needed changes in the law will not go unrewarded, because without such inducements changes might not occur.
6. CONSTITUTIONAL LAW - LOCAL OR SPECIAL LEGISLATION IS UNCONSTITUTIONAL. - Legislation that will effectively apply to only one county is local and special legislation and therefore unconstitutional. [Ark. Const., Amendment 14.]
7. CONSTITUTIONAL LAW - CLASSIFICATION OF COUNTIES MUST BEAR REASONABLE RELATION TO SUBJECT OF LEGISLATION. - The classification of counties and municipalities is legitimate when population or other basis of classification bears a reasonable relation to the subject of the legislation, and the judgment of the legislature in the matter should control unless the classification is made for the purpose of evading the Constitution.

Page 327

Appeal from Sebastian Circuit Court, Fort Smith District; David Partain, Judge; reversed in part, affirmed in part.

Pryor, Robinson & Barry, by: H. Clay Robinson, for appellant.

Martin, Vater & Karr, by: Charles Karr, for appellee.

STEELE HAYS, Justice.

At issue in this case are certain ad valorem tax monies assessed for the appellant, Special School District of Fort Smith, No. 100. The specific part of the tax monies with which they are concerned is that portion which by statute is designated as collector's commissions. It is the position of the School District that the appellee, Sebastian County, may apply the statutory collector's commission to the necessary costs of collecting taxes but that any excess amount of the commission must be disbursed to the taxing unit, the School District. It argues that any other application of the funds is in violation of the Arkansas Constitution, Art. 16, 11, and of Act 123 of 1975 which expressly requires these excess commissions be paid over to the School District. The County maintains that because it has a combined office of sheriff and collector, the monies in question may be applied to the consolidated expenses of both functions of that office, and not to the collector's expenses alone. It further argues that Act 123 of 1975 is unconstitutional.

The School District requests the return of the taxes collected in 1980 for 1979, now held in the registry of the trial court, and that all excess collector's commissions collected in subsequent years be paid over to the appropriate taxing agencies.

This action was initiated by the School District as a writ of mandamus against the County. The trial court ruled in favor of the County for the 1979 taxes and also entered a declaratory judgment in its favor in connection with the School District's taxes assessed in years subsequent to 1979. The trial court ruled Act 123 of 1975 unconstitutional.

We disagree with the trial court's decision on the School District's first argument. That issue is whether the application of excess collector's commissions to the combined Page 328 expenses of the sheriff/collector's office is a violation of Arkansas Constitution, Art. 16, 11:

No tax shall be levied except in pursuance of law, and every law imposing a tax shall state distinctly the object of the same; and no moneys arising from a tax levied for one purpose shall be used for any other purpose.

In 1972, we decided *Dermott Special School District v. Brown*, 253 Ark. 222-P, 485 S.W.2d 204. In a similar fact situation we held that the excess collector's fees could be used to defray the combined expenses of the sheriff/collector's office.

We now overrule *Dermott*.

Dermott's holding was based on the propositions that:

1) the sheriff/collector's office is not two distinct offices; 2) that the sheriff has a right to the \$5,000 salary plus his expenses and, therefore, 3) the taxing units only have a contingent right to the money - the sheriff first having a right to the \$5,000 and his expenses.

The majority in *Dermott* based its recognition of the sheriff's claim to the money as belonging to him, on Ark. Stat. Ann. 12-1805 and 12-1807.^[fn1] However, a close reading of that statute shows that only the salary is covered and that any expenses over that must be turned over to, and itemized for, a reviewing officer. Whether this constitutes a right to the expenses is certainly debatable.

Even granting that those provisions may give an officer a "right" to his expenses above his salary, it does not necessarily mean, as in this case, that he has a right to those expenses when the funds to pay those expenses will come from school monies that bear no relationship to the office in question. We have outlined in a number of cases that the sheriff/collector's office constitutes two distinct and separate offices. *McCabe, Ex Parte*, 33 Ark. 396 (1878); *Falconer v. Shores*, 37 Ark. 386 (1881); *Crowell v. Barham*, 57 Ark. 195, 21 S.W. 33 (1893) and *State v. Landers*, 183 Ark. 1138, 40 S.W. 432 (1931). It is particularly clear in our present case Page 329 that the sheriff/collector's office is two distinct offices. The record offers a copy of the budget for the sheriff/collector's office. It is divided into six divisions: Communications, Detention Center, Law Enforcement Personnel, Sheriff's Operations, Sheriff's Vehicles and Collector. Under each division are itemized and detailed entries for expenses and salaries. Nothing could make it clearer that the collector and sheriff are two separate functions that bear no relationship to each other. To suggest then that school funds used for the Detention Center or Sheriff's Vehicles is not a diversion of funds is simply erroneous. Sections 12-1805 and 12-1807 would certainly be governed by the strictures of Art. 16 11. The sheriff's expenses, by whatever name the office is called, cannot be funded by monies raised for school purposes.

We also note that the use of school funds for other than their intended purpose is specifically limited by Arkansas Constitution, Art. 14 2, and Amendment 40; and this principle was affirmed in *Little River County Board of Education v. Ashdown Special School District*, 156 Ark. 549, 247 S.W. 70 (1923) and *County Board of Education v. Austin*, 169 Ark. 436, 276 S.W. 2 (1925).

Dermott was distinguished from *Austin and Terry, County Judge v. Thornton*, 207 Ark. 1019, 183 S.W.2d 787 (1944) by saying that in those cases, the taxing agencies had a vested right in the money, whereas in *Dermott*, operating under the fee system, the taxing agents only had a contingent right because up to salary and expenses the money belonged to the sheriff. However, as stated above, we do not agree that the money for the sheriff's expenses belongs to him, and the money collected, therefore, remains the school's, minus whatever is due the collector for salary and expenses. The problem is not whether or not the county's salaries are based on the fee system, or at what point monies become vested in one agency or the other, but simply whether the excess collector's fees from school taxes are being used for something other than school purposes.

The fact situation in Austin and Thornton is actually very similar to Dermott and to this case. We found a diversion of school funds in those cases. There, the salaries of various officers were deducted from fees they collected and

Page 330 any excess was put into the county general fund where, in Austin for example, the money could be used for such general purposes as general public improvements. We found this in violation of Art. 16 11. This is precisely the situation we have in this case. Certainly the collector, sheriff, or any other officer has a right to his salary up to the fees he collects (Ark. Stat. Ann. 12-1807) and arguably from those fees, his expenses. But that statute is limited by Art. 16 11. Were the collector to take the excess fees raised from school funds and apply them to road improvements, clearly Art. 16 11 would prohibit that. And here, the fact that the two offices are headed by a dual officer, does not permit the use of school funds for purposes plainly unrelated to school purposes.

In Dermott, the majority reasoned that because we have accepted as constitutionally permissible the application of collector's fees to sheriff's salary (Landers, supra), that it is a logical extension to also allow those fees to defray the sheriff's expenses. This might be so for counties of a small population where the two officers are inextricably intertwined.[fn2] But here where the sheriff's budget is so large (\$792,306 in 1980) and readily lends itself to specific itemization as shown by the budget in the record, the sheriff's expenses are so distinct from the collector's function that the point is not worth arguing.

We realize that our decision will have an impact on 50 other counties where the diversion of funds is less conspicuous and where reliance has been placed on our decision of Dermott, decided 10 years ago. But in spite of our concern for these situations we are compelled to declare the challenged practice to be in clear violation of the Constitution.

There may be a constitutionally acceptable dividing line for these cases, but as a judicial body we are not equipped to determine where that line should be drawn.

Page 331 However, to lessen the harshness of our reversal on counties that have relied on our earlier decision in Dermott, and to allow for alternative financing arrangements, we make this decision prospectively effective with the collection of 1983 taxes in 1984.

While we make this change prospectively, nonetheless with respect to this case our decision is given immediate effect, so that the efforts of a litigant to bring about needed changes in the law will not go unrewarded, because without such inducements changes might not occur. See *Parish v. Pitts*, 244 Ark. 1239, 429 S.W.2d 45 (1968). The funds held in the registry of the trial court should be disbursed to the appellant.

Appellant's second argument is that Act 123 of 1975 is not unconstitutional. That Act provides, among other things:

Hereafter, in all counties in this State having a population of not less than 78,000 and not more than 84,000 . . . a portion of the excess collector fees shall be remitted annually to all school districts in such counties. The amount to be remitted to each such school district shall be that portion of the excess fees that the millage levied by any such school district bears to the total millage levied by all taxing units in the county.

In each such county of the State where there is a combined office of sheriff/collector, separate records shall be kept of the cost of the salaries and office expenses of the county sheriff's functions and of the county collector functions of the combined office, in order that the cost of performing the duties of the county collector can be determined separately from the cost of performing the duties of county sheriff.

This Act has been challenged by the County as special or local legislation and in violation of the Arkansas Constitution, Amendment 14, which states: "The General Assembly shall not pass any local or special act. . . . By stipulation, the parties agree when this Act was passed that Sebastian County was the only county within the population range of that statute.

Page 332

We have held on a number of occasions that legislation that will effectively apply to only one county, is local and special and therefore unconstitutional. *Webb v. Adams*, 180 Ark. 713, 23 S.W.2d 617 (1929), *Humphrey v. Thompson*, 222 Ark. 884, 263 S.W.2d 716 (1954). The appellant suggests that this Act has a reasonable relation to the classification, in that the purpose of the legislation is to provide for the application of excess collector's commissions in a county where the size of the population causes the excess commissions to be large. This would be a commendable purpose, but if that were the case there would be no need to add an upper limit to the population range for the statute to have the desired result. Consequently, this Act specifically and effectively limits its application to Sebastian County only, and is in violation of Amendment 14. As we stated in *Humphrey*, supra:

The classification of counties and municipalities is legitimate when population or other basis of classification bears a reasonable relation to the subject of the legislation, and the judgment of the legislature in the matter should control unless the classification is . . . made for the purpose of evading the Constitution. . . .

Our view is that the so-called classification is but an attempt by technicality to evade what the courts have heretofore said the people meant when by amendment to the Constitution they struck at the evil flowing from local and special laws.

Reversed in part. Affirmed in part.

ADKISSON, C.J., and HOLT, J., dissent in part.

FRANK HOLT, Justice, dissenting in part. Though the majority's opinion is well written and well researched, I find it disturbing that the majority has chosen to overrule *Dermott Special School District v. Brown*, 253 Ark. 222, 45 S.W.2d 204 (1972), which was decided just ten years and one month ago. This is one of those areas of the law in which the doctrine of *stare decisis* should particularly apply. Presently, fifty-one counties have organized their financial arrangements in reliance upon our decision in *Dermott*. Stability in the law is especially important in such circumstances.

Page 333 Making today's ruling apply prospectively, to a future date, arbitrarily selected and based upon no constitutional or statutory provision, does not remedy the instability resulting from today's decision.

Furthermore, neither party to this litigation requested that *Dermott* be overruled, and, therefore, neither party briefed the dispositive point in the case, as the majority has decided it. Hence, without the aid of briefs or oral argument on the point and without having been requested to so act, this court overrules itself and reverses the trial court who, like the parties to this litigation, properly relied upon *Dermott*. Generally, we attempt to avoid reversing a prior decision of the court, even when the issue is squarely presented, but today the majority has decided, *sua sponte*, to do so.

Also, the manner in which the majority rules raises problems that even the majority admits the judiciary is not equipped to solve. In effect, we are digging up snakes for the legislature to kill or getting into a "briar thicket." The majority admits that there may be counties so small that the offices of sheriff and collector are inextricably intertwined so that those counties may constitutionally apply the collector's commissions from school taxes to pay the expenses of the sheriff's office, and it also admits that we cannot draw a line as to which counties are that small and which are that large. Presumably, the legislature will have to draw this line. However, whenever the legislature does so, it can become our duty to review the legislature's decision. Thus, we today invite a task for which we admit that we are not equipped. Since the majority admits that we are not equipped to draw this line, no guidance is given the legislature as to what is permissible. Since the majority overrules rather than distinguishes *Dermott*, it presumably is deciding that Chicot County is so large that, there, the sheriff and ex-officio collector may not apply the collector's commissions to the expenses of the sheriff's office. Otherwise, *Dermott* would be distinguished due to the size of the county, rather than overruled outright. The record here reflects that the population of Chicot County is approximately 17,000, as opposed to 94,000 in Sebastian County. Nothing in the record reflects the accounting practices of the office of sheriff and collector
Page 334 in Chicot County, so I see no basis for the decision today that the Chicot County sheriff may not apply the collector's commissions to the expenses of the sheriff.

None of the cases relied upon by the majority for the proposition that the sheriff/collector's office constitutes two distinct and separate offices held that the constitution mandated that the accounting and fiscal arrangement of the sheriff/collector also is distinct and separate. *McCabe, Ex Parte*, 33 Ark. 396 (1878), and *Falconer v. Shores*, 37

Ark. 386 (1881), held that a separate bond must be posted for each office. *Crowell v. Barham*, 57 Ark. 195, 21 S.W. 33 (1893) held that a deputy sheriff, who was not also a deputy collector, could not conduct a valid tax sale. Contrary to the suggestion in the majority's opinion, in *Dermott* we recognized those cases and distinctly stated that the office of sheriff and the office of collector are two distinct offices. However, none of those cases dealt with the issue here which is whether the constitution mandates separate accounting for the expenses and fees of the two functions of the office of sheriff/collector. More on point is the holding in *State v. Landers*, 183 Ark. 1138, 40 S.W.2d 432 (1931) which is cited by the majority without discussion. The trial court in *Landers*, reasoning much like the majority here, held that since the offices of sheriff and collector are separate and distinct, the holder thereof was entitled to two salaries. However, we reversed and held that the officeholder was entitled to only one salary, thereby intimating that, in fiscal matters, the constitution does not mandate that the two offices be held distinct. As we said in *Dermott*, it is merely an extension of the same logic to say that the expenses may be treated as one office. The majority cites no authority for the proposition that the constitution mandates that the two functions be treated as separate and distinct offices for fiscal purposes.

The situation here and in *Dermott* is unlike that in *County Board of Education v. Austin*, 169 Ark. 436, 276 S.W. 2 (1925), and *Terry, County Judge v. Thornton*, 207 Ark. 1019, 183 S.W.2d 787 (1944). In those cases excess fees and commissions were paid into a general county fund. Here, there is no excess, because the expenses of the office of sheriff/collector for the year in question exceed the total fees and commissions collected by the two functions. Here,

Page 335 unlike *Austin* and *Terry*, the same officer who is charged with the duty of collecting the taxes also has the right to charge commissions as provided by the legislature and apply those collections to the expenses of his office.

I agree with the majority that Act 123 of 1975 is unconstitutional. However, I disagree with that part of the opinion which overrules *Dermott*. Therefore, I would affirm the trial court in all respects.

ADKISSON, C.J., joins this dissent, except he would hold Act 123 constitutional.

[fn1] Arkansas Constitution, Art. 19 23 sets the salary of County officers at \$5,000. Ark. Stat. Ann. 12-1805 and 12-1807 were part of Act 47 of 1875 putting Art. 19 23 into execution.

[fn2] Of the 51 counties having combined offices of sheriff and collector, the population ranges in size from 6,000-46,000 (averaging 16,000/county), excluding Sebastian County with a population of 94,000. Of the 24 counties with separate sheriff and collector's offices the population ranges in size from 14,000-99,000 (averaging 42,000), excluding Pulaski County with a population of 340,000.

CLARK v. UNION PAC. R.R., 294 Ark. 586 (1988)
Steve CLARK, Attorney General, State of Arkansas, et al.
v. UNION PACIFIC RAILROAD COMPANY, et al.
745 S.W.2d 600
No. 87-205
Supreme Court of Arkansas
Opinion delivered February 29, 1988
[Substituted Opinion on Denial of Rehearing April 18, 1988[fn*]]

1. TAXATION - PROPERTY TAX - THE MILLAGE APPLIED TO PERSONAL PROPERTY IS TO BE ADJUSTED DOWNWARDS IN THE SAME PROPORTION THAT THE ASSESSMENT BASE FOR ALL PROPERTY INCREASES UNTIL BOTH PERSONAL PROPERTY AND REAL PROPERTY ARE TAXED AT THE SAME MILLAGE RATE. - Under Amendment 59 and Act 848 of 1981, the millage applied only to personal property is to be adjusted downwards in the same proportion that the assessment base for all property increases, and this procedure is to be repeated annually until the interim adjustment is complete and both personal property and real estate are taxed at the same millage rate.
2. TAXATION - PROPERTY TAX - REAL ESTATE TAXES CANNOT BE INCREASED MORE THAN TEN PERCENT IN THE YEAR FOLLOWING COMPLETION OF REAPPRAISAL OR REASSESSMENT. - The revenues produced from real estate taxes cannot be increased more than ten percent in the base year or year following completion of reappraisal or reassessment, but the adjustment or rollback in the base year is for any lawful tax or millage rate increase or reduction imposed in the manner provided by law, and in the absence of a lawful increase in the millage rate, the personal property rate reduction will depend upon the increase in revenues from real property, after making the specified adjustments.
3. TAXATION - AMENDMENT 59 - THE AMENDMENT'S INTENT WAS TO EQUALIZE THE ASSESSMENTS AND MILLAGE RATES. - The overall intent of Amendment 59 was to equalize the assessments and millage rates with respect to personal and real property taxes after completion of reappraisal.
4. TAXATION - PERSONAL PROPERTY TAX - PERSONAL PROPERTY IS EXEMPT FROM NEW MILLAGE LEVIES UNTIL THE RATES ARE EQUALIZED. - Amendment 59 requires that personal property be exempt from new millage levies until the rates are equalized.

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Appeal from Pulaski Chancery Court, First Division; Lee Munson, Chancellor; affirmed.

Steve Clark, Att'y Gen., by: Jerome T. Kearney, Asst. Att'y Gen. and Frank J. Wills III, Asst. Att'y Gen., for appellant.

Herschel H. Friday and George Pike, Jr., by: George Pike, Jr., for appellee.

JOHN I. PURTLE, Justice.

This is a case concerning Amendment 59 to the Arkansas Constitution. This amendment was referred to the people by the legislature to counter the effect of our decision in *Arkansas Public Service Commission v. Pulaski County Board of Equalization*, 266 Ark. 64, 582 S.W.2d 942 (1979). The question in this case is whether a new millage passed after Amendment 59 was implemented can be collected against personal property. The answer is no.

Wynne School District #9 voted an increase of three mills in 1985. The collector of Cross County, upon the advice of the attorney general, applied the increase equally to both real and personal property. (The attorney general had changed his opinion which first said the new millage could not be collected against personal property.) The appellees filed suit to prevent collection of the millage against personal property. The chancellor held the new millage could not be collected against personal property until the rates equalize. The chancellor was correct. Amendment 59 provides that the amount of revenue derived from personal property cannot be increased until the

rates for real and personal property equalize. It is undisputed that application of the new millage to personal property would increase the revenue collected.

The decision in *Public Service Commission v. Pulaski County Board of Equalization* was based on the Arkansas Constitution, Art. 16, 5 as it read before the adoption of Amendment 59. The former 5 read in pertinent part:

5 All property subject to taxation shall be taxed according to its value, that value to be ascertained in such manner as the General Assembly shall direct, making the same equal and uniform throughout the State. No one species of property from which a tax may be collected shall be taxed higher than another species of property of equal value
...
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[1] Amendment 59 substituted a new section 5 and added sections 14, 15 and 16 to Const., Art. 16. The amendment provides in part:

5(a) All real and tangible personal property subject to taxation shall be taxed according to its value, that value to be ascertained in such manner as the General Assembly shall direct, making the same equal and uniform throughout the State. No one species of property for which a tax may be collected shall be taxed higher than another species of property of equal value, except as provided and authorized in Section 15 of this Article, and except as authorized in Section 14 of this Article.

....

14(a) Whenever a county wide reappraisal or reassessment of property subject to ad valorem taxes made in accordance with procedures established by the General Assembly shall result in an increase in the aggregate value of taxable real and personal property in any taxing unit in this state of ten percent (10%) or more over the previous year the rate of city or town, county, school district, and community college district taxes levied against the taxable real and personal property of such taxing unit shall, upon completion of such reappraisal or reassessment, be adjusted or rolled back, by the governing body of the taxing unit, for the year for which levied as provided below. The adjustment or rollback of tax rates or millage for the "base year" as hereinafter defined shall be designed to assure that each taxing unit will receive an amount of tax revenue from each tax source no greater than ten percent (10%) above the revenues received during the previous year from each such tax source, adjusted for any lawful tax or millage rate increase or reduction imposed in the manner provided by law . . . and after making the following additional adjustments:

(i) By excluding from such calculation the assessed value of, and taxes derived from, tangible personal property assessed in the taxing unit, . . .
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(ii) By computing the adjusted or roll-back millage rates on the basis of the reassessed taxable real property for the base year that will produce an amount of revenue no greater than ten percent (10%) above the revenues produced from the assessed value of real property

from millage rates in effect in the taxing unit during the base year in which the millage adjustment or rollback is to be calculated.

Provided, however, that the amount of revenues to be derived from taxable personal property assessed in the taxing unit for the base year . . . shall be computed at the millage necessary to produce the same dollar amount of revenues derived during the current year in which the base year adjustment or rollback of millage is computed, and the millage necessary to produce the amount of revenues received from personal property taxes received by the taxing unit . . . shall be reduced annually as the assessed value of taxable personal property increases until the amount of revenues from personal property taxes . . . will produce an amount of revenues from taxable personal property equal to or greater than received during the base year, and thereafter the millage rate for computing personal property taxes shall be the millage rates levied for the current year. [Emphasis added.]

The amendment provides that the General Assembly shall establish by law the manner in which the equalization of assessment and millage is to be accomplished. In an attempt to clarify the matter, the General Assembly enacted Act 848 of 1981 (Ark. Code Ann. 26-26-401 et seq. (1987)) which provides at 405:

(a) Revenues derived from personal property by each taxing unit in the county are to be frozen at the base-year levels. The millage applied to personal property only is then adjusted downwards in the same proportion that the assessment base increases. The current millage is defined as the millage that was used in each taxing unit to derive the base year revenues for personal property. This procedure shall be followed each year until the personal property millage rate is equal to, or lesser than, the millage rate

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applied to real estate, at which time the interim adjustment is complete, and both personal property and real estate shall thereafter be taxed at the same millage rate.

From the words used in Act 848 it is clear that the millage applied only to personal property will be adjusted downwards in the same proportion that the assessment base for all property increases. The concluding sentence clearly requires that this procedure be repeated annually until the interim adjustment is complete, at which time "both personal property and real estate shall thereafter be taxed at the same millage rate."

[2] We glean from the language of Amendment 59 that the revenues produced from real estate taxes cannot be increased more than ten percent (10%) in the "base year" (the year following completion of reappraisal or reassessment). However, the adjustment or rollback in the "base year" is to be "adjusted for any lawful tax or millage rate increase or reduction imposed in the manner provided by law. . . ." Therefore, in the absence of a lawful increase in the millage rate (which would apply only to real estate until the rates are equalized), the personal property rate reduction will depend upon the increase in revenues from real property, after making the specified adjustments.

[3] Although Amendment 59 is obtuse, it can be seen that the overall intent was to equalize the assessments and millage rates with respect to personal and real property taxes after completion of reappraisal. In order to equalize the rate of taxation, it obviously is necessary to (1) lower the assessed valuation of personal property, (2) increase the assessed valuation of the real estate, or (3) hold the personal property rates at the present level, with adjustments, until the real estate tax rates reach the same level. Adding new millage at the same rate to personal property and real property would never equalize the two, and the goal of Amendment 59 could never be reached.

Act 848 and Amendment 59 require the eventual equalization of personal and real estate property tax rates. Therefore, the only practical way of obtaining equality between the two is to apply new millage rates only to realty until such time as the rates between the two classifications are equalized.

[4] The only issue presented to this court is whether Page 591 Amendment 59 requires that personal property be exempted from new levies until such time as the rates are equalized. We hold that personal property is exempt from the new millage under these circumstances.

We do not decide the wisdom nor the constitutionality of Amendment 59. Our duty is to interpret the amendment and law as best we can and to enforce it. Therefore we affirm the decision of the chancellor.

Affirmed.

GLAZE, J., concurs.

HICKMAN, J., dissents.

TOM GLAZE, Justice, concurring. I agree with the result reached by the majority and have no doubts that, if this court were to hold otherwise, the voters' intent, in approving Amendment 59, to equalize assessments and millage rates with respect to personal and real property taxes could never be achieved. To accept appellants' argument that personal property should be subject to ad valorem taxes before this equalization process is achieved runs counter not only to the spirit and intent of Amendment 59, but also is in direct conflict with the Amendment's wording. For example, Amendment 59 provides:

Provided, however, that the amount of revenues to be derived from taxable personal property assessed in the taxing unit for the base year, other than personal property taxes to be paid by public utilities and regulated carriers in the manner provided hereinabove, shall be computed at the millage necessary to produce the same dollar amount of revenues derived during the current year in which the base year adjustment or rollback of millage is computed, and the millage necessary to produce the amount of revenues received from personal property taxes received by the taxing unit, for the base year shall be reduced annually as the assessed value of taxable personal property increases until the amount of revenues from personal property taxes, computed on the basis of the current year millage rates will produce an amount of revenues from taxable personal property equal to or greater than received during the base year, and thereafter the millage rates for computing

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personal property taxes shall be the millage rates levied for the current year. (Emphasis added.)

In view of the foregoing language, I will briefly review the undisputed and relevant facts here which reflect how the provisions of Amendment 59 have been applied in School District No. 9 of Cross County since that Amendment went into effect. It is undisputed that, in the base year of 1982, the amendment of revenues derived from taxable personal property assessed in School District No. 9 in Cross County resulted in the collection of \$323, 200. In 1982, the millage rate on personal property was 49, or 32.5 more millage than that imposed on real property in the district. To produce the Amendment's required same dollar amount of revenues collected from personal property taxes in 1982, the personal property millage rate in the district was adjusted downward to 45.4 mills. This adjustment narrowed the rate between personal and real property in the district to 28.9 mills. Specifically, the Cross County Assessor in 1983 collected \$322, 718 compared to the \$323, 200 received in the 1982 base year - which reflects the assessor's efforts (as required under Amendment 59) to keep the current year (1983) revenues close to the same dollar amount collected in the base-year 1982.

In 1984, the collections resulting from the personal property millage was \$324, 604, which again was close to the same dollar amount the county collected from the district in base-year 1982. At the same time, the \$324, 604 amount was based on a lower millage rate which was adjusted down to 40.9. This lower rate and approximate same dollar amount was obviously due to an increase in the value of and the assessments on the personal property in the school district. This lower millage rate in 1984 further narrowed the gap between real and personal property rates to 24.4 mills.

The equalization process, which was being achieved in the school district, was impeded in 1985 because the voters in the district approved an additional three mill tax, which the county assessor imposed against both real and personal property in the school district. In doing so, the collections from personal property assessments rose to \$351,531, or \$28,000 more than the amount collected in base-year 1982. Obviously, the assessor's decision to apply the new three mill rate against personal property in the Page 593 district directly contravened the clear wording of Amendment 59, as I set out above. In addition, the decision to apply the new millage against both real and personal property slowed the process, which had been effected in the school district, of equalizing the rates between real and personal property.

Amendment 59 clearly imposes the duty to remove the illegal discrimination that exists between owners of real property and personal property. To impose new millages on both real and personal property unquestionably slows the process of equalizing the rates between the two. And, in counties where personal property assessments have actually gone down, equalization between the two types of property would never be achieved by adding new millages to both. For these reasons and those noted in the majority opinion, I believe the trial court's decision should be affirmed.

DARRELL HICKMAN, Justice, dissenting. Amendment 59 is the "Godzilla" of constitutional amendments. Nobody knows what it means. It was the child of fear and greed, spawned after our decision in 1979 which held that the Arkansas Constitution required that all property be assessed at market value. *Arkansas Public Service Comm. v. Pulaski County Board of Equalization*, 266 Ark. 64, 582 S.W.2d 942 (1979). Since it was a widespread practice that property, especially real property, had not been assessed at market value, our decision meant that the taxes of many property owners would double, triple, or more. This was the fear, especially of residential property owners, that spawned the amendment. So Amendment 59 to the constitution was proposed in the legislature. Marvin Russell, the director of the Assessment Coordinating Division of the Public Service Commission, explained what happened in the legislature:

Mr. Russell: Judge, when we drafted Amendment 59, the purpose was to prevent high taxation to everybody, homeowners and everybody else. It established a roll back. Now, in that same amendment, to get support of Farm Bureau and AFA, they slipped in their section for preferential treatment -

The Court: (Interposing) 14.

Mr. Russell: (Continuing) - for preferential treatment, Page 594
and then everybody got in. They raised this Million Dollars, and they passed it, you know. Everybody voted for it. They got preferential treatment on assessment, but the rates are applied equally to their assessment or to your house assessment or to your personal automobile assessment.

The Court: I can understand. The rates should be applied equally, but the assessment is not equal. Is that correct?

Mr. Russell: No, sir, the assessments - they have preferential treatment in that they have use value based on productivity of the soils for those type lands, and the rate is in the roll back. When we rolled back the rate, what we would have done is reduced everybody's personal property by two-thirds. We would have retained about a third of it, it would have cost the schools a bundle of money. And, this became a political problem in the Legislature, and it was kicked around there until the final day for getting the Amendment on the ballot for it to be legal for that year. And, Governor Clinton came down with this idea of freezing personal property, and we told him then that it would be troublesome, that it would be a mad house to handle. He said, 'can you do it?' and we said, 'we probably can do it, but it's not a good idea.' He said, 'we've got to get

it out.' So, they adopted that freeze on personal property at that point in time, and that was done without any impact study or any research, and that was the real flaw with Amendment 59. We are having to live with that thing, and the procedure was spelled out that you would adjust personal property - now, these people won't pay any more tax right now. They've been paying high. So, they'll just continue to pay high, and they'll be reduced each year. You'll pay less each year as the rate drops.

This was the greed that surfaced and resulted in powerful social interests being granted preferential treatment. They were the utility companies, the regulated carriers, the large landowners, especially the farmers, and the commercial and timber interests. The appellee railroad company is one of those interests, a regulated carrier.

Ironically, in the forefront promoting Amendment 59 were Page 595 the local school officials; the schools were the first to suffer from Amendment 59.

A special study commission of the legislature was created in 1985 to study the impact of Amendment 59. Its report was filed in September of 1986. "Special Study Commission on Amendment 59," Final Report, September 1986. Most of the evidence heard by the commission consisted of testimony by school officials regarding how much money Amendment 59 has and will cost Arkansas' primary and secondary public schools. For example, Dr. Ed Kelly, at one time superintendent of the Little Rock public schools, said the amendment would cost the Little Rock schools 14 million dollars over the next ten years. The superintendent of the Fayetteville public schools said it would cost Fayetteville schools over 26 million dollars; Greenland school district, a half million dollars, and so on.

So much for the background of Amendment 59. This is the first case regarding the interpretation of Amendment 59.

Actually, not a handful of people in Arkansas pretend to understand Amendment 59, and even those who do disagree on what it means. An extended discussion occurred as to how new millage voted would be applied. Mr. Russell said new millage should be applied to personal property. He explained what had occurred in this case:

The Court: Now, where are we in Cross County then? What are they complaining about?

Mr. Russell: They have passed - they have built a new school building over there. They wanted three mills. They voted three mills.

The Court: The people did.

Mr. Russell: Yes.

The Court: To build a new school.

Mr. Russell: To build a new school building. And, we believe that it should be charged against personal and real estate because in the freeze on personal property, we'd have to separate it - we do this every year. We have to audit, and you have to separate each levy within the total.

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Say you had thirty mills of personal property, ten mills of that is charged for a debt service, a particular issue.

The Court: Bonds or whatever.

Mr. Russell: Right. A particular issue. Then say ten mills of it may be for maintenance and operation, paying teachers' salaries. And, another ten mills may be for another particular debt service, another particular issue, and each of those are obligated to that issue at the revenue level that we're frozen at in the base year.

The Court: All right.

Mr. Russell: Say it was Ten Thousand, Ten Thousand, and Ten Thousand. Well, we can't give them less than that.

The Court: It's already obligated.

Mr. Russell: It's obligated. Now, if we start - if we add three mills, there's nothing to cover it over here. When you finish out your equalization, the obligation is tied to those millage levies that are in place in the base year. So, any new levy for a new purpose would never be serviced. When you get down to your official rate, there's no place for those three mills to add on. You can't take away from those that are obligated. So, it's infinitely - or into infinity, it is never paid on that levy unless you charge it as a new levy for a new purpose. Another example that you would be aware of is - say, there is three allowed levies for school millage. There's maintenance and operation; there's capital outlay; and, then there's debt service. Each of those are three separate entities. All right, suppose they only had maintenance and operation, and their fifty mills was all for M and O, going for school teachers' salaries, and their building burned, and they have to vote a new millage for a new building. This fifty mills and the Thirty Thousand Dollars or whatever is committed to maintenance and operation and frozen at that. All right, we've got to build a new building. Where are you going to fund the personal property from? You've got to allow it to be charged against the personal property; otherwise, it will never fund its portion of that debt service. It can never have a place to enter into - you'd never have debt service millage against

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personal property or capital outlay. Or if you want to go to cities and counties, the same precedent would apply there if you do away with the road tax. If they don't have a road tax, for example, and the Quorum Court comes along two years later and says, 'Okay, we've decided we want a road tax,' and they appropriate three mills. It'd have to go against personal and real; otherwise, it would never fund. The people paying personal property tax would never pay their share of the tax burden. The balance of the millages are obligated -

The Court: (Interposing) Already obligated.

Mr. Russell: Already obligated, yes, sir. The funds there, the revenues created are obligated one hundred percent, and there's no way we can borrow from them or intermingle them in any form. But, they will equalize in time.

At one point the trial judge observed:

Well, could you both be correct, and the people who drafted this thing didn't know what the hell they were doing, or didn't think down the road of what would happen?

It is clear that in some counties the tax rates may never equalize, which would then mean taxes on personal property would never increase.

Amendment 59 does not say that new millage voted cannot be applied to personal property, and I would not interpret it that way. Union Pacific Railroad Company, one of the appellees, received preferred treatment in Amendment 59 and now seeks to avoid paying personal property taxes to fund this three mill increase. Union Pacific reminds us they are in the same category as owners of pickup trucks in Cross County. I wouldn't want to overlook that consideration. I doubt that the pickup truck owner in Cross County would mind the dollar or so he would pay to the local school district if the Union Pacific Railroad Company would pay the hundreds or perhaps thousands it owes.

I would reverse the judgment.
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**Supplemental Concurring Opinion on Denial of Rehearing
April 18, 1988**

TOM GLAZE, Justice, concurring. I originally concurred in the result reached in this matter. The majority now deletes certain language (I consider dictum) from the original opinion and adds other language in its place. Part of the deleted wording indicated real estate taxes could not be increased more than ten percent after base-year 1982. To the extent the majority corrects its opinion by deleting such dictum, I agree.

[fn*] Glaze, J., concurs; Hickman, J., would grant rehearing.

REPORTER'S NOTE; Original opinion delivered February 29, 1988.

AMENDMENT 61. COUNTY ROAD TAX

1. County road tax.

County quorum courts may annually levy a county road tax not to exceed three (3) mills on the dollar on all taxable real and personal property within their respective counties. Revenues derived from the county road tax shall be used for the sole purpose of constructing and repairing public roads and bridges within the county wherein levied. The authority granted by this amendment shall be in addition to all other taxing authority of the county quorum courts.

**PERTINENT DATES
CHRONOLOGICAL ORDER OF THE TAX COLLECTION PROCESS
STATE OF ARKANSAS**

| <u>DATE</u> | <u>PROCESS</u> |
|---|---|
| On or before February 1 st (Ark. Code Ann. 26-28-304) | Delivery of tax books to Collector with Unit Tax Ledger System - Computerized System |
| On or before February 1 st (Ark. Code Ann. 26-28-108) | Delivery of tax books to Collector |
| 1 st Working Day in March (Ark. Code Ann. 26-36-201) | Tax books open for collections |
| By March 31 st (Ark. Code Ann. 26-26-310) | First homestead tax credit report to DF&A |
| 3 rd Monday in April (Ark. Code Ann. 26-35-501) | (1/4 Installment) Tax Due |
| By June 30 th (Ark. Code Ann. 26-26-310) | Second homestead tax credit report to DF&A |
| 3 rd Monday in July (Ark. Code Ann. 26-35-501) | (1/4 Installment) Tax Due |
| On or before July 1 st (Ark. Code Ann. 26-35-705) | Mail tax statements |
| 15 th Day of October (Ark. Code Ann. 26-35-501) (Act 175 of 2011) | (1/2 Installment or All) Last day to pay without penalty |
| By November 15 th (Ark. Code Ann. 26-26-310) | Third homestead tax credit report to DF&A |
| By December 1 st each year (Ark. Code Ann. 26-37-107) | List of Delinquent Real Estate furnished to Newspaper by Tax Collector |
| Within 7 days after list delivered to newspaper (Ark. Code Ann. 26-37-107) | Publication of Delinquent Real Estate List one (1) time-Cost \$1.50 |
| By December 1 st each year (Ark. Code Ann. 26-36-203) | List of Delinquent Personal furnished to Newspaper by Tax Collector |
| Within 7 days after list delivered to newspaper (Ark. Code Ann. 26-36-203) | Publication of Delinquent Personal List One (1) time-Cost \$1.25 for printing and \$0.50 for list preparation |
| 4 th Monday in December (Ark. Code Ann. 26-39-401, 26-39-402, 26-28-306) | Collector's final statement made and filed with County Court |
| 30 th Day of December (Ark. Code Ann. 26-39-404) | Collector shall make settlement with the County and various subdivisions thereof |
| 31 st Day of December (Ark. Code Ann. 26-39-402, 26-39-403, 26-28-306) | County Court must pass upon Collector's Final settlement |

COLLECTOR'S, CLERK'S AND TREASURER'S COMMISSION (FEE)
IMPROVEMENT DISTRICTS AND TIMBER TAX

| | <u>FEE</u> |
|--|---------------------|
| Collector's Commission (Fee) | |
| Improvement Districts | |
| Unit Tax Ledger (Ark. Code Ann. 14-86-904) | 4% |
| Municipal Improvement District (Ark. Code Ann. 14-90-913) | 1 3/8% |
| Suburban Improvement District (Ark. Code Ann. 14-92-230) | 1 1/2% |
| Improvement District (Ark. Code Ann. 14-86-904) | 2% |
| Does not apply to collector on fixed salary Basis | |
| Fire Protection District (Ark. Code Ann. 14-284-215) | 1 1/2% (=1/2 of 3%) |
| Improvement District – Unit Tax Ledger System – Computerized System (Ark. Code Ann. 26-28-307) | 2% |
| Timber Tax (Ark. Code Ann. 26-61-101) | 2% |
| County Clerk's Commission (Fee) | |
| Improvement Districts | |
| Improvement District (Ark. Code Ann. 14-86-901) | 2% |
| Does not apply if district maintain a permanent office or collects its own taxes | |
| Suburban Improvement District (Ark. Code Ann. 14-92-230) | 1 1/2% |
| Municipal Improvement District (Ark. Code Ann. 14-90-913) | 1 1/2% |
| Fire Protection District (Ark. Code Ann. 14-284-215) | 1 1/2% |
| Improvement District – Unit Tax Ledger System – Computerized System (Ark. Code Ann. 26-28-307) | 2% |
| Timber Tax (Ark. Code Ann. 26-61-107) | 2% |
| County Treasurer's Commission (Fee) | |
| Municipal Improvement District (Ark. Code Ann. 14-90-913) | 1/8 of 1% |
| | <u>Penalty</u> |
| Improvement District (Penalty) | |
| Municipal (Ark. Code Ann. 14-90-909) | 10% |
| Levee (Ark. Code Ann. 14-123-411) | 10% |
| Property Owners' (Ark. Code Ann. 14-93-123) | 25% |

Note: These codes are not comprehensive and are to be used in conjunction with the Arkansas Code of 1987 Annotated.



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DISABLED VETERAN PROPERTY TAX EXEMPTION

Arkansas Statutes 84-209 through 84-211 authorize the Disabled Veterans Exemption. The Assessor should assess the property of the Disabled Veteran or other eligible individuals as usual. At the time that the D.A.V. provides the Collector with proof of eligibility then the Collector shall exempt the Homestead and non-business personalty from payment of taxes. For specific accounting procedures refer to 1986 Suggested Procedures for Preparation of the Final County Tax Settlement, Legislative Joint Auditing Committee, Division of Legislative Audit.

Who is Eligible for Veterans Exemption?

1. Disabled Veteran with
 - A. Service connected loss of, or use of, 1 or more limbs.
 - B. Service connected blindness in one or both eyes.
 - C. Service connected 100% disability.
2. Surviving spouse and/or surviving minor children of a deceased veteran who was eligible for Disabled Veterans Exemption.
3. Surviving spouse and/or surviving minor children of a member of the United States Armed Forces who died while within the scope of his or her military duties.
4. Spouse or minor children of a member of the United States Armed Forces who is missing in action.

The spouse shall be entitled to the exemption as long as he or she remain unmarried; the children until they reach majority.

What is Exempt?

1. The homestead of the eligible D.A.V., which shall consist of no more than 160 acres and improvements thereon in areas outside city or town limits, or no more than 1 acre and improvements inside city or town limits. Homesteads are defined in Article 9, Sections 4 & 5 of the Arkansas Constitution.
2. Personal property, other than that used for a commercial or business purpose, of an eligible individual.

What are the responsibilities of the property owner?

1. Disabled Veteran

Shall annually furnish the Collector with a letter from the Veterans Administration verifying eligibility. The letter shall be the one stating the veteran receives special monthly compensation from the Veterans Administration for a 100% disability.

2. Surviving spouse or minor children of disabled veteran

Shall annually provide the Collector with a letter from the Veterans Administration stating that at the time of his or her death the disabled veteran was eligible for the exemption. In addition the surviving spouse or minor children shall provide the Collector with a signed affidavit attesting to their age, marital status, and relationship to the deceased disabled veteran.

3. Surviving spouse or minor children of a member of the United States Armed Forces who died while within the scope of his or her military duties.

Shall annually provide the Collector with a letter from the Veterans Administration stating that the member of the Armed Forces died while within the scope of his or her military duties. In addition the surviving spouse or minor children shall provide the Collector with a signed affidavit attesting to their age, marital status, and relationship with the deceased member of the Armed Forces.

4. Spouse or minor children of a member of the United States Armed Forces who is missing in action.

Shall annually provide the Collector with a letter from the Veterans Administration stating that the member of the Armed Forces is missing in action. In addition the spouse or minor children shall provide the Collector with a signed affidavit attesting to their age, marital status, and relationship to the member of the Armed Forces missing in action.

Marvin Russell



Arkansas

JACK A. GIBSON, SENATOR
CHAIRMAN

J. STURGIS MILLER, REPRESENTATIVE
VICE CHAIRMAN

CHARLES L. ROBINSON, CPA
LEGISLATIVE AUDITOR

LEGISLATIVE JOINT AUDITING COMMITTEE DIVISION OF LEGISLATIVE AUDIT

MEMO TO: County Collectors
Division of Legislative Audit Staff

FROM: Jerry E. Spratt, CPA
Legislative Audit Administrator

DATE: January 14, 1986

SUBJECT: Redemption of Tax Delinquent Land

Please find enclosed recommended schedules of the amount necessary to redeem tax delinquent lands and the amount to be certified to the State Land Commissioner for tax delinquent lands. Certain of the county clerks' and collectors' fees that were charged in the past probably were repealed by Act 626 of 1983 and we recommend not collecting these fees on 1982 and future tax. These schedules should be maintained with your final tax settlement seminar booklet.

Please note that our office was advised on January 8, 1986 by Assistant Attorney General Tim Humphries that Attorney General's Opinion No. 85-22 means that the ten percent (10%) penalty provision in Act 626 of 1983 is charged on all delinquent tax at the time the tax is redeemed or certified to the State Land Commissioner. For example, a taxpayer redeeming 1983 delinquent real estate tax of \$100 and 1984 delinquent real estate tax of \$100 would be charged a penalty of \$20 computed as follows:

| | |
|-----------------------------------|--------------|
| [1983 delinquent real estate tax] | \$100 |
| [1984 delinquent real estate tax] | <u>\$100</u> |
| Total delinquent tax | \$200 |
| Times 10% penalty | <u>10%</u> |
| Total penalty due | <u>\$ 20</u> |

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We are also enclosing a daily interest rate computation schedule to be used in computing the ten percent (10%) daily interest charged on delinquent real estate in accordance with Act 626 of 1983. To compute the interest, find the number of days delinquent for each separate year's tax and multiply the factor times the tax. Then add the interest for each year to arrive at the total interest to be charged.

For example a taxpayer who comes in to redeem his delinquent 1983 tax of \$100, and 1984 delinquent tax of \$100 on October 30, 1985 would have a ten percent (10%) interest charge of \$11.08 computed as follows:

| | | |
|---|--------|----------------|
| [1983 tax] \$100 times [factor for 385 days delinquent] | .1054= | \$10.54 |
| [1984 tax] \$100 times [factor for 20 days delinquent] | .0054= | <u>\$.54</u> |
| Total interest charge | | <u>\$11.08</u> |

If you have any questions concerning this matter, please do not hesitate to contact our office.

TAX DELINQUENT LANDS
AMOUNT NECESSARY TO REDEEM
FROM COUNTY COLLECTOR

| Code Reference | Item | Amount |
|--|--|--|
| 26-37-302 | Tax | \$ Unpaid Delinquent Real Estate Taxes |
| 26-37-302 | Penalty (Notes 1, 2) | 10% of Unpaid Delinquent Real Estate Taxes |
| 26-37-108 | Publication Cost | 1.50/Parcel |
| Act 393 of 1989 | Clerk's Redemption Certificate | |
| 26-37-109 | Fee (Note 3) | 2.50/Certificate |
| 26-37-302 | Interest (Note 2) | 10% Simple Interest on Unpaid Delinquent Real Estate Taxes Computed on a Daily Basis |
| 26-37-108 | Publication Cost - Lands to be Transferred | <u>\$.75 per tract, per insertion</u> |
| 26-37-302 | | |
| Amount Necessary to Redeem from County Collector | | <u>\$ xxx</u> |

TAX DELINQUENT LANDS
AMOUNT NECESSARY TO REDEEM
FROM COMMISSIONER OF STATE LANDS

| Code Reference | Item | Amount |
|--|--|---|
| 26-37-302 | Amount Necessary to Redeem from County Collector | \$ xxx |
| 21-6-203 26-37-303 | Redemption Deed | 5.00 |
| 21-6-306 21-6-203 26-37-303 | Recording Redemption Deed | xxx |
| 21-6-203 26-37-105 | Commissioner's Collection Fee | 25.00 |
| 26-37-302 | Interest (Note 2) | 10% Simple Interest on Unpaid Delinquent Real Estate Taxes from Time Lands Certified to Commissioner Until Redeemed Computed on a Daily Basis |
| 26-37-302 | Penalty (Notes 1, 2) | 10% of Unpaid Delinquent Real Estate Taxes from Time Lands Certified Until Redeemed |
| Amount Necessary to Redeem from Commissioner Before Publication Notice | | \$ xxx |
| If Land Redeemed After Publication Notice | | |
| 26-37-201 26-37-108 | Notice of Sale | <u>Cost Charged by Newspaper</u> |
| Amount Necessary to Redeem from Commissioner After Publication Notice | | <u>\$ xxx</u> |

Note 1: According to Attorney General's Opinion No. 85-22, the ten percent (10%) penalty provision in Act 626 of 1983 is charged on all delinquent tax at the time the tax is redeemed or certified to the State Land Commissioner. For example, a taxpayer redeeming 1983 delinquent real estate tax of \$100 and 1984 delinquent real estate tax of \$100 would be charged a penalty of \$20 computed as follows:

| | |
|-----------------------------------|--------------|
| [1983 delinquent real estate tax] | \$100 |
| [1984 delinquent real estate tax] | 100 |
| Total delinquent tax | 200 |
| times 10% penalty | 10% |
| Total penalty due | <u>\$ 20</u> |

Note 2: Interest and Penalty from the date of delinquency will be calculated by the Commissioner of State Lands on all delinquent lands certified to his office.

Note 3: Would not be charged if redeemed from Commissioner of State Lands.

TAX DELINQUENT LANDS
 AMOUNT TO BE CERTIFIED TO
 STATE LAND COMMISSIONER
 BY COUNTY COLLECTOR

| <u>Code Reference</u> | <u>Item</u> | <u>Amount</u> |
|--|---|---|
| ACA 26-37-302 | Tax | \$ Unpaid Delinquent Real Estate Taxes |
| ACA 26-37-108 | Publication Cost | 1.50/Parcel |
| ACA 26-37-302 | Publication Cost - Lands to be Transferred | <u>Cost Charged by Newspaper</u> |
| Amount to be Certified to State Land Commissioner by County Collector | | <u>\$ xxx</u> |

Note 1: Interest and Penalty from the date of delinquency will be calculated by the Commissioner of State Lands on all delinquent lands certified to his office.

AMEND. 79.

[PROPERTY TAX RELIEF].

Section:

1. [Assessing value of real property].
2. [Effect of county-wide reappraisal Public utility and carrier exception].
3. [Annual state credit].
4. [Income adjustments - Personal property millage rate - Uniform property tax rate requirement - Reassessment Rollback adjustments].
5. [Effective date].

Publisher notes

Publisher's Notes. This amendment was adopted at the November 2000 general election and approved by a vote of 502,882 for and 306,830 against.

This amendment was designated as Amendment 79 by the Secretary of State and was known as Amendment No. 2 on the general election ballot for 2000: „An amendment to limit the increase in the assessed value of a taxpayer's real property after a countywide reappraisal and to require a property tax credit of at least three hundred dollars (\$300) on homestead property.“ The bracketed heading was added by the Publisher.

Preambles. This amendment contained a preamble which read: “BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE EIGHTY-SECOND GENERAL ASSEMBLY OF THE STATE OF ARKANSAS AND BY THE SENATE, A MAJORITY OF ALL MEMBERS ELECTED TO EACH HOUSE AGREEING THERETO:”

“That the following is hereby proposed as an amendment to the Constitution of the State of Arkansas, and upon being submitted to the electors of the state for approval or rejection at the next general election for Representatives and Senators, if a majority of the electors voting thereon at such election, adopt such amendment, the same shall become a part of the Constitution of the State of Arkansas, to wit:”

§ 1. [Assessing value of real property].

Text

(a) After each county-wide reappraisal, as defined by law, and the resulting assessed value of property for ad valorem tax purposes and after each Tax Division appraisal and the resulting assessed value of utility and carrier real property for ad valorem tax purposes, the county assessor, or other official or officials designated by law, shall compare the assessed value of each parcel of real property reappraised or reassessed to the prior year's assessed value. If the assessed value of the parcel increased, then the assessed value of the parcel shall be adjusted pursuant to this section.

(b)(1) If the parcel is not a taxpayer's homestead used as the taxpayer's principal place of residence, then for the first assessment following reappraisal, any increase in the assessed value of the parcel shall be limited to not more than ten percent (10%) of the assessed value of the parcel for the previous year. In each year thereafter the assessed value shall increase by an additional ten percent (10%) of the assessed value of the parcel for the year prior to the first assessment that resulted from reappraisal but shall not exceed the assessed value determined by the reappraisal prior to adjustment under this subsection. For utility and carrier real property, any annual increase in the assessed value of the parcel shall be limited to not more than ten percent (10%) of the assessed value for the previous year.

(2) This subsection (b) does not apply to newly discovered real property, new construction, or to substantial improvements to real property.

(c)(1) Except as provided in subsection (d), if the parcel is a taxpayer's homestead used as the taxpayer's principal place of residence then for the first assessment following reappraisal, any

increase in the assessed value of the parcel shall be limited to not more than five percent (5%) of the assessed value of the parcel for the previous year. In each year thereafter the assessed value shall increase by an additional five percent (5%) of the assessed value of the parcel for the year prior to the first assessment that resulted from reappraisal but shall not exceed the assessed value determined by the reappraisal prior to adjustment under this subsection.

(2) This subsection (c) does not apply to newly discovered real property, new construction, or to substantial improvements to real property.

(d)(1)(A) A homestead used as the taxpayer's principal place of residence purchased or constructed on or after January 1, 2001 by a disabled person or by a person sixty-five (65) years of age or older shall be assessed thereafter based on the lower of the assessed value as of the date of purchase or construction or a later assessed value.

(B) When a person becomes disabled or reaches sixty-five (65) years of age on or after January 1, 2001, that person's homestead used as the taxpayer's principal place of residence shall thereafter be assessed based on the lower of the assessed value on the person's sixty-fifth birthday, on the date the person becomes disabled or a later assessed value.

(C) If a person is disabled or is at least sixty-five (65) years of age and owns a homestead used as the taxpayer's principal place of residence on January 1, 2001, the homestead shall be assessed based on the lower of the assessed value on January 1, 2001 or a later assessed value.

(2) Residing in a nursing home shall not disqualify a person from the benefits of this subsection (d).

(3) In instances of joint ownership, if one of the owners qualifies under this subsection (d), all owners shall receive the benefits of this amendment.

(4) This subsection (d) does not apply to substantial improvements to real property.

(5) For real property that is subject to Section 2 of this Amendment [Ark. Const. Amend. 79, § 2], in lieu of January 1, 2001, the applicable date for this subsection (d) shall be January 1 of the year following the completion of the adjustments to assessed value required by Section 2 [Ark. Const. Amend. 79, § 2].

Publisher notes

Publisher's Notes. The bracketed heading was added by the Publisher.

§ 2. [Effect of county-wide reappraisal Public utility and carrier exception].

Text

(a)(1) Section 1 of this Amendment [Ark. Const. Amend. 79, § 1] shall not be applicable to a county in which there has been no county-wide reappraisal, as defined by law, and resulting assessed value of property between January 1, 1986 and December 31, 2000. Real property in such a county shall be adjusted according to the provisions of this section.

(2) Upon the completion of the adjustments to assessed value required by this section each taxpayer of that county shall be entitled to apply the provision of Section 1 of this Amendment [Ark. Const. Amend. 79, § 1] to the real property owned by them.

(b) The county assessor, or other official or officials designated by law, shall compare the assessed value of each parcel of real property to the prior year's assessed value. If assessed value of the parcel increased, then the assessed value of the parcel for the first assessment resulting from reappraisal shall be adjusted by adding one-third (1/3) of the increase to the assessed value of the parcel for the previous year. An additional one-third (1/3) of the increase shall be added in each of the next two (2) years. This adjustment procedure shall not apply to public utility and carrier property. Public utility and carrier property shall be adjusted pursuant to Section 1 [Ark. Const. Amend. 79, § 1].

(c) No adjustment shall be made for newly discovered real property, new construction, or to substantial improvements to real property.

Publisher notes

Publisher's Notes. The bracketed heading was added by the Publisher.

§ 3. [Annual state credit].

Text

The General Assembly shall provide by law for an annual state credit against ad valorem property tax on a homestead in an amount of not less than three hundred dollars (\$300). The credit shall not exceed the amount of ad valorem property taxes owed. The credit shall apply beginning for taxes due in calendar year 2001. This section shall be applied in a manner that would not impair a bond holder's interest in ad valorem debt service revenues.

Publisher notes

Publisher's Notes. The bracketed heading was added by the Publisher.

§ 4. [Income adjustments - Personal property millage rate - Uniform property tax rate requirement – Reassessment - Rollback adjustments].

Text

(a) The General Assembly shall, by law, provide for procedures to be followed with respect to adjusting ad valorem taxes or millage pledged for bonded indebtedness purposes, to assure that the tax or millage levied for bonded indebtedness purposes will, at all times, provide a level of income sufficient to meet the current requirements of all principal, interest, paying agent fees, reserves, and other requirements of the bond indenture.

(b) The millage rate levied against taxable personal property and utility and regulated carrier property in each taxing unit in the state shall be equal to the millage rate levied against real property in each taxing unit in the state. Personal property millage rates currently not equal to real estate millage rates shall be reduced to the level of the real estate millage rate; except to the extent necessary to provide a level of income sufficient to meet the current requirements of all principal, interest, paying agent fees, reserves, and other requirements of the bond indenture.

(c) The provisions of this section shall not affect or repeal the required uniform rate of ad valorem property tax set forth in Amendment 74.

(d) The General Assembly may, by law, prescribe the method and means for reassessing real property and establish the frequency of reassessment. However, reassessment shall occur at least once every five (5) years.

(e) Rollback adjustments under Article 16, Section 14 shall be determined after the adjustments are made to assessed value under this Amendment.

Publisher notes

Publisher's Notes. The bracketed heading was added by the Publisher.

§ 5 [Effective date].

Text

This amendment shall be effective on January 1, 2001.

Publisher notes

Publisher's Notes. The bracketed heading was added by the Publisher.

Note:

Act 142 of 2007 amended Ark. Code Ann. 26-26-1118(a)(1) to increase the value of the previously established homestead property tax credit.

26-26-1118. Limitation on increase of property's assessed value.

(a)(1)(A) There is established a homestead property tax credit for each assessment year that reduces the amount of real property taxes assessed on the homestead of each property owner by three hundred fifty dollars (\$350).

CERTAIN LEGISLATIVE ACTS PERTAINING TO TAXES



CERTAIN LEGISLATIVE ACTS PERTAINING TO TAXES

INDEX

Note 1: These acts have not been reproduced for inclusion in this booklet.

Note 2: These Legislative acts pertaining to taxes are not comprehensive, and are to be used in conjunction with the Arkansas Code of 1987 Annotated.

ACT 626 OF 1983 (ARK. CODE ANN. 26-37-101 – 26-37-105, 26-37-201 – 26-37-205, AND 26-37-301 – 26-37-303)
TRANSFER OF TAX RECORDS OF COUNTY CLERKS AND COLLECTORS.

ACT 875 OF 1983 (ARK. CODE ANN. 26-28-111)
PRESCRIBES THREE (3) PART FORM TO CORRECT ERRORS IN TAX BOOKS.

ACT 239 OF 1985 (ARK. CODE ANN. 26-39-220)
COUNTY COURT TO CORRECT ERRORS IN SETTLEMENTS BY COUNTY OFFICERS.

ACT 953 OF 1985 (ARK. CODE ANN. 26-36-203)
COLLECTOR TO PUBLISH LIST OF DELINQUENT TAXES.

ACT 1021 OF 1985 (ARK. CODE ANN. 26-37-205)
METHOD TO BE USED BY LAND COMMISSIONER TO DISTRIBUTE PROCEEDS FROM SALE OR REDEMPTION OF TAX DELINQUENT LAND.

ACT 1089 OF 1985 (ARK. CODE ANN. 26-36-212)
AD VALOREM TAXES ON WORKING INTERESTS, ROYALTY INTERESTS OR OVERRIDING - ROYALTY INTERESTS IN OIL OR GAS DELINQUENT ONE HUNDRED EIGHTY DAYS OR MORE - CAUSE OF ACTION.

ACT 22 OF 1987 (ARKANSAS STATUTE 13-523(B)(3) - OMITTED FROM ARKANSAS CODE)
CITIES AND TOWNS NOT REQUIRED TO LEVY THE FULL FIVE MILL GENERAL TAX ON TAXABLE PROPERTY.

ACT 153 OF 1987 (ARK. CODE ANN. 26-26-201)
ASSESSOR FILE SWORN STATEMENT EACH YEAR WITH STATE TREASURER - DESIGNATE DELINQUENT ASSESSMENT ON RECORDS PROVIDED TO COUNTY CLERK - 10% DELINQUENT ASSESSMENT PENALTY TO COUNTY GENERAL.

ACT 324 OF 1987 (ARK. CODE ANN. 26-35-706)
AUTHORIZE COUNTY COLLECTORS TO CHARGE A POSTAGE FEE FOR MAILING TAX STATEMENTS.

ACT 361 OF 1987 (ARK. CODE ANN. 26-37-109)
QUORUM COURTS - AUTHORIZE COUNTY COLLECTOR AND/OR TREASURER TO ACCEPT PAYMENT FOR TAX DELINQUENT LANDS.

ACT 559 OF 1987 (ARK. CODE ANN. 26-27-308 - IN PART)
COUNTY EQUALIZATION BOARD - REIMBURSEMENT OF EXPENSES TO COUNTY GENERAL FUND.

ACT 621 OF 1987 (ARK. CODE ANN. 26-26-716, -1401, -1404, -1407, -1408, AND ~~27-13-101~~[REPEALED])
ASSESSMENT AND COLLECTION OF TANGIBLE PERSONAL PROPERTY.

ACT 739 OF 1987 (ARK. CODE ANN. 26-35-101)

ESCROW FUNDS FOR PAYMENT OF REAL PROPERTY TAXES - REMITTANCE TO COUNTY COLLECTOR.

ACT 814 OF 1987 (ARK. CODE ANN. 26-37-101 – 26-37-107, 26-37-201 – 26-37-203, 26-37-205, 26-37-213, 26-37-301 – 26-37-303)

PERMANENT RECORD - FORFEITURE AND SALE OF TAX DELINQUENT LAND - OTHER PURPOSES.

ACT 1010 OF 1987 (ARK. CODE ANN. 26-3-306)

DISABLED AMERICAN VETERAN - EXEMPTION FROM STATE AD VALOREM TAXES.

ACT 35 OF 3RD EXTRAORDINARY SESSION, 1987 (ARK. CODE ANN. 26-26-1408)

TAXABLE TANGIBLE PERSONAL PROPERTY BETWEEN APRIL 10TH AND JUNE 30TH - ASSESSMENT.
(See Act 860 of 1991)

ACT 354 OF 1989 (ARK. CODE ANN. 26-3-306)

DAV - SALE OF HOME - TAXES PRORATED TO DATE OF SALE.

ACT 372 OF 1989 (ARK. CODE ANN. 26-35-705)

SHERIFF AND COLLECTOR REQUIRED TO MAIL TAX STATEMENTS NO LATER THAN JULY 1 OF EACH YEAR.

ACT 393 OF 1989 (ARK. CODE ANN. 26-37-109)

COUNTY COLLECTORS AUTHORIZED TO COLLECT A \$2.50 FEE FOR EACH LAND REDEMPTION CERTIFICATE.

ACT 424 OF 1989 (ARK. CODE ANN. 26-37-205)

DISTRIBUTION OF TAX MONEYS BY STATE LAND COMMISSIONER.

ACT 517 OF 1989 (ARK. CODE ANN. 26-26-1114)

AUTHORIZES TAXPAYERS TO ASSESS PERSONAL PROPERTY TAXES BY MAIL AFTER DECEMBER 31, 1989.

ACT 538 OF 1989 (ARK. CODE ANN. 22-6-116)

CERTIFICATE BY COUNTY COLLECTOR CORRECTING OR CANCELLING ORIGINAL CERTIFICATION TO STATE LAND COMMISSIONER.

ACT 633 OF 1989 (ARK. CODE ANN. 16-21-114)

FULL-TIME OFFICE OF COUNTY CIVIL ATTORNEY OR CONTRACT COUNTY CIVIL ATTORNEY - REIMBURSEMENT FOR LEGAL COSTS - TAXES.

ACT 641 OF 1989 (ARK. CODE ANN. 26-80-111)

MILLAGE LEVEL FOR TAXES IN SCHOOL DISTRICTS INVOLVED IN CONSOLIDATION.

ACT 697 OF 1989 (ARK. CODE ANN. 26-35-501)

10% LATE PAYMENT PENALTY - PARTIAL PAYMENTS.

ACT 869 OF 1989 (ARK. CODE ANN. 26-3-203)

DELINQUENT REAL PROPERTY TAX ON MOBILE HOMES SHALL BE ATTACHED TO PERSONAL PROPERTY TAX OF MOBILE HOME OWNER.

ACT 92 OF 1991 (ARK. CODE ANN. 14-90-911(D) AND 14-86-1403)

NOTICE TO LANDOWNERS OF SALE OR FILING OF SUIT ON LANDS FOR NONPAYMENT OF IMPROVEMENT DISTRICT ASSESSMENTS.

ACT 232 OF 1991 (ARK. CODE ANN. 26-35-606)

COUNTY COLLECTOR MAY CONTRACT WITH ONE OR MORE FINANCIAL INSTITUTIONS TO RECEIVE PROPERTY TAX PAYMENTS.

ACT 281 OF 1991 (ARK. CODE ANN. 14-92-230(D), 14-92-232)

AMEND THE SUBURBAN IMPROVEMENT DISTRICT LAW REGARDING PAYMENT AND COLLECTION OF TAXES.

ACT 291 OF 1991 (ARK. CODE ANN. 26-26-1114, ~~26-26-1409~~[REPEALED], 26-26-902, 26-26-903)

PROVIDE FOR THE ASSESSMENT OF PERSONAL AND REAL PROPERTY BY INDIVIDUALS OVER THE TELEPHONE.

ACT 406 OF 1991 (ARK. CODE ANN. 14-14-904)

ALLOWS A COUNTY TO ADOPT A NEW ORDINANCE LEVYING TAXES IN THE EVENT THAT THE COUNTY ORDINANCE LEVYING TAXES IS REPEALED BY REFERENDUM.

ACT 504 OF 1991 (ARK. CODE ANN. 14-90-805, 14-93-119, 14-94-118)

AUTHORIZES THE RELEASE OF REAL PROPERTY FROM ASSESSMENTS BY CERTAIN IMPROVEMENT DISTRICTS ON WHICH ASSESSMENTS HAVE ALREADY BEEN PAID OR PREPAID.

ACT 668 OF 1991 (ARK. CODE ANN. 23-32-1003, 28-71-106)

AUTHORIZES THE COLLATERALIZATION OF PUBLIC DEPOSITS WITH ASSETS CONSISTING OF SHARES OF REGISTERED MUTUAL FUNDS.

ACT 800 OF 1991 (~~ARK. CODE ANN. 13-10-101 – 13-10-108~~ [REPEALED])

ESTABLISHES GUIDELINES FOR COUNTIES REGARDING RETENTION OF RECORDS FOR ARCHIVAL PURPOSES.

ACT 807 OF 1991 (ARK. CODE ANN. 22-6-116, 22-6-201 – 22-6-204, 22-6-501)

CLARIFY LAWS RELATING TO SALE OR OTHER DISPOSITION OF STATE LANDS.

ACT 860 OF 1991 (ARK. CODE ANN. 26-26-201, 26-26-1408)

TAXABLE TANGIBLE PERSONAL PROPERTY INCLUDING NEWLY ACQUIRED PROPERTY BE ASSESSED THROUGH MAY 31 OF EACH YEAR.

ACT 877 OF 1991 (ARK. CODE ANN. 14-86-603 – 14-86-607)

STATE AGENCIES AND COMMISSIONS ARE RESPONSIBLE FOR LEVEE, DRAINAGE AND ANY OTHER IMPROVEMENT OR SPECIAL ASSESSMENT DISTRICT ASSESSMENTS ON LAND OWNED BY THE AGENCY OR COMMISSION AND PROVIDES THAT ASSESSMENT LIENS ARE NOT EXTINGUISHED BY SALE OR TRANSFER OF LAND TO A STATE AGENCY OR COMMISSION.

ACT 927 OF 1991 (ARK. CODE ANN. 14-94-122)

SHORTENS TIME PERIOD TO COMPLETE STATUTORY FORECLOSURE PROCEDURE AGAINST TAX DELINQUENT LAND IN A MUNICIPAL PROPERTY OWNERS' IMPROVEMENT DISTRICT.

ACT 961 OF 1991 (ARK. CODE ANN. 27-65-138, 26-3-308)

ALLOWS THE ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT TO ACQUIRE PROPERTY UPON WHICH REAL ESTATE TAXES OR ASSESSMENTS ARE DUE AND PAYABLE, TO DEDUCT THE AMOUNT OF DELINQUENT TAXES FROM PAYMENT TO THE OWNER, AND PAY SUCH TAXES TO THE APPROPRIATE AUTHORITY.

ACT 1007 OF 1991 (ARK. CODE ANN. 8-6-211, 8-6-212, 14-233-114)

PERMITS MUNICIPALITIES, COUNTIES, AND SOLID WASTE AUTHORITIES TO COLLECT FEES AND CHARGES FOR SOLID WASTE MANAGEMENT SERVICES BY ALLOWING THE COUNTY COLLECTOR TO NOT ACCEPT PAYMENT OF COUNTY PROPERTY TAXES UNLESS THE SOLID WASTE FEE OR CHARGE IS ALSO COLLECTED AND BY MAKING THE FEE OR CHARGE A LIEN ON THE TAXPAYER'S REAL AND PERSONAL PROPERTY.

ACT 1045 OF 1991 (ARK. CODE ANN. 26-36-203(A), 26-37-107(A))

CHANGE THE DATE FOR PUBLISHING A DELINQUENT PROPERTY TAX LIST IN A NEWSPAPER.

ACT 1080 OF 1991 (ARK. CODE ANN. 26-37-101, 26-37-204, 26-37-205)

CLARIFIES LAWS RELATING TO REDEMPTION AND SALE OF TAX DELINQUENT REAL PROPERTY.

ACT 1165 OF 1991 (ARK. CODE ANN. ~~26-35-607~~) (Repealed by Act 531 of 2009)

AD VALOREM PROPERTY TAX ON A MINERAL INTEREST SHALL NOT BE BILLED OR COLLECTED IF THE COSTS OF COLLECTING THE TAX EXCEEDS THE TAX.

ACT 423 OF 1993 (ARK. CODE ANN. 6-53-601, 6-53-602, ~~6-64-603~~[REPEALED], 6-53-207(d), 6-53-301(b))

AUTHORIZE THE ESTABLISHMENT OF A TECHNICAL COLLEGE DISTRICT AND THE LEVY OF PROPERTY TAXES TO SUPPORT THE DISTRICT.

ACT 623 OF 1993 (ARK. CODE ANN. 14-120-111)

LEGAL FEE FOR PUBLISHING DELINQUENT LISTS AND NOTICES OF SALE FOR LEVEE AND DRAINAGE DISTRICTS.

ACT 791 OF 1993 (ARK. CODE ANN. 26-35-705, 26-37-101, 26-37-203, 26-37-301, ~~26-37-304~~[REPEALED])

TO AMEND AND REPEAL VARIOUS LAWS PERTAINING TO THE FORFEITURE AND SALE OF TAX DELINQUENT LAND.

ACT 811 OF 1993 (ARK. CODE ANN. 14-284-215(b))

FEES OF CLERKS AND COLLECTORS FOR EXTENDING AND COLLECTING ASSESSMENTS OF FIRE PROTECTION DISTRICTS.

ACT 849 OF 1993 (ARK. CODE ANN. 26-28-301 – 26-28-308)

TO PROVIDE THAT A COUNTY UTILIZING THE UNIT TAX LEDGER SYSTEM MAY INITIATE A COMPUTERIZED TAX ASSESSMENT AND COLLECTION PROCESS. DUTY OF ASSESSOR/PREPARER OF TAX BOOKS/TAX COLLECTOR - FINAL TAX SETTLEMENTS - PERMANENT RECORD.

ACT 859 OF 1993 (ARK. CODE ANN. 26-26-1115)

APPORTIONMENT OF REALTY TAXES - COUNTY ASSESSOR TO APPORTION CURRENT ASSESSMENT.

ACT 865 OF 1993 (ARK. CODE ANN. 26-61-103)

TO PROVIDE ADDITIONAL FUNDS FOR THE ARKANSAS FORESTRY COMMISSION.

ACT 915 OF 1993 (ARK. CODE ANN. 14-86-102)

TO CLARIFY THE STATUS OF MOBILE AND MANUFACTURED HOMES FOR PURPOSES OF SPECIAL IMPROVEMENT DISTRICT ASSESSMENTS.

ACT 945 OF 1993 (ARK. CODE ANN. 6-53-601, 6-53-602)

TO AUTHORIZE FORMATION AND RECONSTITUTION OF TECHNICAL COLLEGE DISTRICTS AND TO AUTHORIZE VOTERS TO LEVY AD VALOREM TAXES TO SUPPORT THE DISTRICTS.

ACT 984 OF 1993 (ARK. CODE ANN. 26-36-201)

ESTABLISHING THE DUE DATE FOR PROPERTY TAXES.

ACT 985 OF 1993 (ARK. CODE ANN. 26-37-107)
PUBLICATION OF THE DELINQUENT REAL ESTATE LIST.

ACT 986 OF 1993 (ARK. CODE ANN. 26-36-203)
PUBLICATION OF DELINQUENT PERSONAL PROPERTY TAX LIST.

ACT 1039 OF 1993 (ARK. CODE ANN. 26-61-108 – 26-61-110, ~~26-61-406~~[REPEALED])
AMENDING THE FOREST FIRE PROTECTION ACT TO CHANGE THE DATE TO PAY THE TAX, TO REDUCE THE PENALTY FOR DELINQUENT TAXES, REPEALS ARK. CODE ANN. 26-61-106.

ACT 1082 OF 1993 (ARK. CODE ANN. 26-61-112)
TO EXEMPT DISABLED VETERANS, THEIR SURVIVING SPOUSES AND MINOR DEPENDENT CHILDREN FROM PAYMENT OF FOREST FIRE PROTECTION TAX.

ACT 1112 OF 1993 (ARK. CODE ANN. 26-61-103)
LEVIED ON ALL TIMBER LANDS AN ANNUAL TAX OF FIFTEEN CENTS (\$.15) PER ACRE.

ACT 343 OF 1995 (ARK. CODE ANN. 14-121-305, 14-121-412 AND 14-121-801(b)(6))
AMENDS THE DRAINAGE IMPROVEMENT DISTRICT LAW TO ALLOW TAXES TO BE LEVIED AS A FLAT TAX PER ACRE.

ACT 408 OF 1995 (ARK. CODE ANN. 23-75-119, -120)
PROVIDES EXEMPTION FOR NON-PROFIT CORPORATIONS, HOSPITALS, MEDICAL SERVICE CORPORATIONS, ETC., FROM PAYING COUNTY SALES AND PROPERTY TAXES.

ACT 438 OF 1995 (ARK. CODE ANN. 14-356-102)
DECLARES THAT AIRPORTS OWNED BY MUNICIPALITIES, COUNTIES, OR OTHER PUBLIC AGENCIES ARE USED EXCLUSIVELY FOR PUBLIC PURPOSES AND EXEMPT FROM AD VALOREM TAXATION.

ACT 660 OF 1995 (ARK. CODE ANN. 26-37-101 AND 26-37-107 (b)(1))
REDUCES THE PERIOD OF TIME A TAXPAYER MAY REDEEM TAX DELINQUENT LAND.

ACT 669 OF 1995 (ARK. CODE ANN. 26-3-301)
AMENDS ARK. CODE ANN. 26-3-301 TO CLARIFY THE TAX STATUS OF PUBLIC PROPERTY USED EXCLUSIVELY FOR PUBLIC PURPOSES.

ACT 714 OF 1995 (ARK. CODE ANN. 26-37-105, 26-37-201, AND 26-37-301)
AMENDS THE ABOVE CODES PERTAINING TO FORFEITURE, SALE AND REDEMPTION OF TAX DELINQUENT LAND.

ACT 766 OF 1995 (ARK. CODE ANN. 14-284-205, 14-284-208(f), 14-284-212(g), 14-284-215 AND 14-284-216)
AMENDS VARIOUS CODES TO CLARIFY THE SERVICE AREA, ASSESSMENTS AND COLLECTIONS OF FIRE PROTECTION DISTRICTS.

ACT 801 OF 1995 (ARK. CODE ANN. 14-90-1301)
MODIFIES THE TIME PERIOD FOR REDEMPTION OF LAND WITH DELINQUENT ASSESSMENTS WITH RESPECT TO MUNICIPAL IMPROVEMENT DISTRICT FORECLOSURES; REPEALS ARK. CODE ANN. 14-86-1502 REGARDING THE RIGHT TO REDEEM LAND WITH DELINQUENT MUNICIPAL IMPROVEMENT ASSESSMENTS.

ACT 828 OF 1995 (ARK. CODE ANN. 14-284-225)
CLARIFIES TAXATION OR ASSESSMENT OF INDIVIDUALS OR PROPERTY ANNEXED INTO A MUNICIPALITY FROM A FIRE PROTECTION DISTRICT.

ACT 891 OF 1995 (ARK. CODE ANN. 26-27-303)

AMENDS CODE TO UPDATE LANGUAGE REGARDING THE FEDERAL DECENNIAL CENSUS; COMPOSITION OF COUNTY EQUALIZATION BOARD.

ACT 1259 OF 1995 (ARK. CODE ANN. 15-21-501 – 15-21-504)

CREATES THE ARKANSAS STATE LAND INFORMATION BOARD.

ACT 213 OF 1997 (AMENDS ARK. CODE ANN. 26-36-209)

DELINQUENT PERSONAL PROPERTY TAX PENALTIES.

ACT 336 OF 1997 (AMENDS ARK. CODE ANN. 26-26-1001)

VALUATIONS OF EXEMPT PROPERTY NOT TO BE ENTERED ON TAX BOOK.

ACT 1300 OF 1997 (AMENDMENT 74 ENABLING ACT)

ESTABLISHES UNIFORM SCHOOL AD VALOREM TAX RATE AND FOR OTHER PURPOSES.

ACT 215 OF 1999 (AMENDS ARK. CODE ANN. 26-35-1005)

DEFINES THE TAX BOOK AS A PAPER DOCUMENT OR COMPUTER RECORD.

ACT 588 OF 1999 (ARK. CODE ANN. 26-35-506)

THE ACT ALLOWS COUNTY TAX COLLECTORS TO ACCEPT PAYMENT OF COUNTY PROPERTY TAXES, PENALTIES AND ASSOCIATED COSTS BY AN APPROVED CREDIT CARD OR DEBIT CARD. COLLECTORS ARE AUTHORIZED TO ENTER INTO CONTRACTS WITH CREDIT CARD COMPANIES AND TO PAY THE FEES NORMALLY CHARGED BY THOSE COMPANIES FOR ALLOWING THE COLLECTOR TO ACCEPT THEIR CARDS AS PAYMENT. THE COLLECTOR IS ALLOWED TO ADD A SERVICE FEE EQUAL TO THE AMOUNT CHARGED TO THE COLLECTOR BY THE CREDITCARD ISSUER TO THE EXISTING TAX LIABILITY.

ACT 994 OF 1999 (ARK. CODE ANN. 26-35-601)

THE ACT ALLOWS A CLOSING AGENT OR ABSTRACT COMPANY TO APPLY REAL ESTATE TAXES ON A PARCEL OF PROPERTY AT THE TIME THE OWNERSHIP OF THE PROPERTY IS TRANSFERRED.

ACT 1326 OF 1999 (ARK. CODE ANN. 26-27-301 – 26-27-321)

REORGANIZES COUNTY EQUALIZATION BOARDS.

ACT 1444 OF 1999 (ARK. CODE ANN. 26-26-1308)

REAPPRAISAL IS NOT TO OCCUR MORE OFTEN THAN ONCE EVERY FIVE YEARS UNLESS THE RESULT OF A COUNTYWIDE REAPPRAISAL. TAXES ON REAPPRAISED VALUES SHALL NOT BE ASSESSED UNTIL ALL TAXABLE PROPERTY WITHIN THE COUNTY HAS BEEN REAPPRAISED.

ACT 1 OF THE 2ND EXTRAORDINARY SESSION OF 2000 (ARK. CODE ANN. 19-5-1103, ~~26-26-309~~[REPEALED], ~~26-26-310~~, ~~26-26-1117~~[REPEALED], ~~26-26-1118~~, ~~26-51-601~~—~~26-51-608~~[REPEALED], ~~26-52-302~~, ~~26-53-107~~)

PROVIDES A \$300 REAL PROPERTY TAX CREDIT.

ACT 204 OF 2001 (ARK. CODE ANN. 26-26-311)

COUNTYWIDE REAPPRAISALS DEEMED TO BE COMPLETE ON THE DATE THE TAX BOOKS ARE OPEN FOR COLLECTION ON THE NEWLY APPRAISED VALUE.

ACT 505 OF 2001 (ARK. CODE ANN. 26-27-304)

REORGANIZES MEMBERSHIP OF THE COUNTY EQUALIZATION BOARD.

ACT 590 OF 2001 (ARK. CODE ANN. ~~26-26-601~~—~~26-26-607~~[REPEALED])

CLARIFIES INTENT OF ACT 1185 OF 1999 BY REPEALING ACA 26-26-601 THROUGH 26-26-607 REGARDING THE HIRING OF A PROFESSIONAL APPRAISER.

ACT 901 OF 2001 (ARK. CODE ANN. 14-14-904)

ESTABLISHES PROCEDURES FOR CORRECTING CLERICAL ERRORS ON THE LEVY OF TAXES.

ACT 979 OF 2001 (ARK. CODE ANN. ~~26-51-609~~[REPEALED])

REPEALS REQUIREMENT THAT TAX COLLECTORS NOTIFY PROPERTY OWNERS OF THE AVAILABILITY OF THE PROPERTY TAX REFUND THAT WILL BE REPEALED IN JANUARY OF 2002.

ACT 985 OF 2001 (ARK. CODE ANN. 26-37-107, 26-36-203)

AMENDS THE PUBLISHING REQUIREMENTS FOR NOTICE OF DELINQUENT REAL AND PERSONAL PROPERTY TAXES.

ACT 1135 OF 2001 (ARK. CODE ANN. 27-65-138)

REQUIRES THE COLLECTION OF PROPERTY TAXES WHEN CONDEMNING PROPERTY – HIGHWAY DEPARTMENT.

ACT 1215 OF 2001 (ARK. CODE ANN. 21-6-305)

FUNDING FOR AUTOMATED ACCOUNTING SYSTEMS FOR COUNTY TAX COLLECTORS.

ACT 1275 OF 2001 (ARK. CODE ANN. 21-6-305, 14-15-203, 26-26-310)

TO AMEND VARIOUS PROVISIONS OF THE CODE REGARDING COLLECTION OF PROPERTY TAXES – COLLECTOR'S COMMISSION – ASSESSOR'S SALARY AND EXPENSE.

ACT 1286 OF 2001 (ARK. CODE ANN. 26-35-601)

AMENDS THE CODE PROVISION REQUIRING THE COLLECTION OF PERSONAL PROPERTY TAXES WITH REAL ESTATE TAXES.

ACT 1377 OF 2001 (ARK. CODE ANN. 13-2-409)

PROVIDES FOR A FEE FOR PETITION OF A SPECIAL ELECTION TO LEVY, INCREASE, DECREASE OR REPEAL A COUNTY LIBRARY TAX.

ACT 1544 OF 2001 (ARK. CODE ANN. 26-3-306, 26-26-1118, 26-26-310, 26-26-1119)

AMENDS THE PROPERTY LAWS TO CLARIFY THE PROCEDURES FOR CLAIMING A \$300 PROPERTY TAX CREDIT.

ACT 1598 OF 2001 (ARK. CODE ANN. 26-26-1118)

AMENDS CODE CONCERNING THE PROPERTY TAX CREDIT.

ACT 847 OF 2003 (ARK. CODE ANN. 21-6-305)

AMENDS PURPOSE OF THE COUNTY COLLECTOR'S AUTOMATED FUND TO OPERATE THE OFFICE OF COUNTY COLLECTOR AND FOR ADMINISTRATIVE COSTS.

ACT 1354 OF 2003 (ARK. CODE ANN. 26-26-1118)

AMENDS CODE CONCERNING PENALTY FOR UNLAWFULLY CLAIMED HOMESTEAD PROPERTY TAX CREDIT.

ACT 295 OF 2003 (ARK. CODE ANN. 26-28-101)

AMENDS CODE CONCERNING PREPARING THE COUNTY TAX BOOKS.

ACT 135 OF 2005 (ARK. CODE ANN. 26-36-201)

PROHIBITS ASSESSMENT OF PENALTIES FOR DELINQUENT PAYMENT OF PROPERTY TAXES AGAINST ANY TAXPAYER DURING THE TAXPAYER'S MILITARY DEPLOYMENT, PLUS ONE YEAR AFTER DEPLOYMENT ENDS.

ACT 659 OF 2005 (ARK. CODE ANN. 26-26-310)

AMENDS CODE CONCERNING THE CERTIFICATION OF THE COUNTY PROPERTY TAX REDUCTION AND THE DISTRIBUTION TO THE COUNTIES FROM THE PROPERTY TAX RELIEF TRUST FUND.

ACT 1231 OF 2005 (ARK. CODE ANN. 26-37-104, 26-37-106, 26-37-201, 26-37-203, 26-37-209, 26-37-301)
AMENDS THE REQUIREMENT FOR NOTICE, PUBLICATION AND PURCHASE OF TAX DELINQUENT PROPERTY.

ACT 142 OF 2007 (ARK. CODE ANN. 26-26-1118 (a) (1))
INCREASES THE MAXIMUM PROPERTY TAX RELIEF CREDIT FOR A HOMESTEAD FROM \$300 TO \$350.

ACT 151 OF 2009 (ARK. CODE ANN. 26-23-205 (a) AND 26-26-1124)
CONCERNS ASSESSMENT OF HOMESTEAD FOR A PERSON WHO IS DISABLED OR SIXTY-FIVE YEARS OF AGE.

ACT 300 OF 2009 (ARK. CODE ANN. 14-20-108)
MAY ADOPT AN ORDINANCE AUTHORIZING A DESIGNATED COUNTY OFFICIAL TO COLLECT AND REMIT DUES TO THE VOLUNTEER FIRE DEPARTMENT(S).

ACT 347 OF 2009 (ARK. CODE ANN. 26-28-302)
CONCERNS THE DESIGNATION OF THE PREPARER OF COUNTY TAX BOOKS.

ACT 400 OF 2009 (ARK. CODE ANN. 26-37-205)
ALLOWS DELINQUENT PERSONAL PROPERTY TAXES AND PENALTY TO BE 'DEDUCTED' FROM THE PROCEEDS OF DELINQUENT LAND SALES.

ACT 531 OF 2009 (ARK. CODE ANN. ~~26-35-607~~ IS REPEALED.)
REPEALS THE LAW CONCERNING THE COST OF COLLECTING AD VALOREM TAXES ON MINERAL INTERESTS.

ACT 555 OF 2009 (ARK. CODE ANN. 26-36-206(d))
ESTABLISHES UNIFORM REQUIREMENTS FOR DISTRAINT OF GOODS OR CHATTELS.

ACT 721 OF 2009 (ARK. CODE ANN. 26-28-102(a), 26-39-201(b)(2), 26-39-401, 26-39-406, 26-39-403, 26-39-404)
ALLOWS A QUORUM COURT THAT USES A COMPUTERIZED TAX SYSTEM TO DESIGNATE THE APPROPRIATE COUNTY OFFICER TO PREPARE COUNTY TAX SETTLEMENTS.

ACT 276 OF 2009 (ARK. CODE ANN. 26-27-317(a) AND 26-27-318(b))
IDENTIFIES AN ASSESSMENT ADJUSTMENT BY THE COUNTY BOARD OF EQUALIZATION AS APPLICABLE ONLY TO THE YEAR THE ASSESSMENT WAS MADE.

ACT 277 OF 2009 (ARK. CODE ANN. 26-26-1408(a)(2)(B))
PROVIDES AN ALTERNATIVE DATE FOR THE ASSESSMENT OF TANGIBLE PERSONAL PROPERTY.

ACT 278 OF 2009 (ARK. CODE ANN. 26-23-203(1)(B))
REMOVES THE REQUIREMENT FOR THE COMPLETION OF AN ORIGINAL VALUATION OF NEWLY DISCOVERED AND NEWLY CONSTRUCTED PERSONAL PROPERTY BY JULY 1.

ACT 421 OF 2009 (ARK. CODE ANN. 26-26-1110)
CLARIFIES THAT A NONPRODUCING MINERAL INTEREST HAS NO DISCERNABLE VALUE APART FROM THE VALUE OF THE FEE SIMPLE IN THE LAND FOR THE PURPOSE OF ASSESSMENT.

ACT 655 OF 2009
IDENTIFIES VARIOUS CORRECTIONS TO TITLE 26, INCLUDING AMENDING A HOMESTEAD TAX CREDIT TO \$350.

ACT 1189 OF 2009 (ARK. CODE ANN. 26-27-322)
IDENTIFIES PROCEDURES FOR EQUALIZATION BOARDS TO FOLLOW WHEN CHANGING PROPERTY VALUES IN A YEAR WHEN A COUNTY IS NOT COMPLETING REAPPRAISAL.

ACT 160 OF 2009 (ARK. CODE ANN. 14-15-401(a))
DEFINES THE COUNTY RECORDER.

ACT 175 OF 2011 (ARK. CODE ANN. 14-92-602(b), 14-92-603, 14-120-404, 26-26-706, 26-26-1408(b), 26-36-207(a), 26-37-101(a), 26-61-108)
TO AMEND THE DATES FOR PAYMENT OF PROPERTY TAXES.

ACT 617 OF 2011 (ARK. CODE ANN. 26-26-201(a), 26-37-109, 26-39-201(a)(1))
CONCERNING COUNTY COLLECTOR'S DUTIES AND AMENDED TO 10 DAYS COUNTY COLLECTOR'S SETTLEMENTS TO COUNTY TREASURER.

ACT 174 OF 2011 (ARK. CODE ANN. 8-6-212(b)(1)-(3))
TO AMEND THE PROVISIONS REGARDING THE ASSESSMENT AND COLLECTION OF FEES AND SERVICE CHARGES BY COUNTY SOLID WASTE MANAGEMENT SYSTEMS.

ACT 210 OF 2011 (ARK. CODE ANN. 14-86-2101 – 14-86-2105)
CONCERNING PROCEDURES FOR IMPROVEMENT DISTRICTS FOR COLLECTION OF ASSESSMENTS BY COUNTY COLLECTORS.

ACT 264 OF 2011 (ARK. CODE ANN. 14-284-216)
CONCERNING THE TIME FOR PAYMENT OF ANNUAL ASSESSMENTS IN FIRE PROTECTION DISTRICTS.

ACT 813 OF 2011 (ARK. CODE ANN. 14-164-701 – 14-164-704)
TO EXEMPT FROM AD VALOREM TAXATION INDUSTRIAL FACILITIES OWNED AND FINANCED BY THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY.

ACT 785 OF 2011 (ARK. CODE ANN. 26-37-205(a))
TO ALLOW DELINQUENT TAXES, PENALTY, AND INTEREST OWED TO THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO BE PAID FROM THE PROCEEDS OF TAX DELINQUENT LAND SALES.

ACT 862 OF 2011 (ARK. CODE ANN. 26-37-201(d)-(e), 26-37-203, 26-37-204)
TO CLARIFY THE GROUNDS AND PROCEDURES FOR SETTING ASIDE A SALE OF TAX-DELINQUENT LANDS.

ACT 821 OF 2011 (ARK. CODE ANN. 26-34-101, 26-35-201, 26-35-501, 26-36-201)
AMENDS INSTALLMENT PAYMENT PROVISIONS FOR PROPERTY TAXES AND ADDS THE FOLLOWING SECTION:

"A COUNTY COLLECTOR MAY AUTHORIZE THE COUNTY'S TAXPAYERS OTHER THAN A UTILITY AND CARRIER TO PAY CURRENT REAL PROPERTY TAXES AND PERSONAL PROPERTY TAXES IN INSTALLMENTS IN ANY AMOUNT BETWEEN THE FIRST BUSINESS DAY IN MARCH AND OCTOBER 15 INCLUSIVE. EXCEPT AS PROVIDED IN 26-35-601, A COLLECTOR SHALL NOT ACCEPT PAYMENT OF DELINQUENT REAL PROPERTY TAXES FROM A TAXPAYER UNLESS THE DELINQUENT PERSONAL PROPERTY TAXES OF THE TAXPAYER ARE PAID IN FULL."

ACT 1030 OF 2011 (ARK. CODE ANN. 15-11-801 – 15-11-804)
TO CREATE ARTS AND CULTURAL DISTRICTS AND TO PROVIDE INCENTIVES

ACT 569 OF 2011 (ARK. CODE ANN. 26-27-319(b))
TO MODIFY THE DATE FOR THE COUNTY EQUALIZATION BOARD TO FORWARD THE RESOLUTION AND ABSTRACT TO THE ASSESSMENT COORDINATION DEPARTMENT.

ACT 867 OF 2011 (ARK. CODE ANN. 26-26-1110)
ADDS PROCEDURES WHEN ASSESSMENT COORDINATION DEPARTMENT DETERMINES THAT A COUNTY ASSESSOR HAS FAILED TO ASSESS MINERAL INTERESTS

ACT 1135 OF 2013 (ARK. CODE ANN. 26-18-405(d)(1)(C), 26-26-1907, 26-35-201(b), 26-36-206(a), 26-37-203(b)(2) and (3), 26-38-201(b), 26-38-208(a)(2), 26-51-1004(c), 26-51-1010(c)(1), 26-51-1010(e), 26-51-1012(a), 26-52-117(e)(2), 26-52-445, 26-52-517(d)(2), 26-52-517(g)(2)(B), 26-52-902(c), 26-52-903, 26-82-102(4)(A), 26-82-109(a), 26-82-109(a), 26-82-112(b)(1), 26-82-113(a)(1)(A), 26-82-115(b)(1)(A), 26-82-115(b)(2), 26-82-116, 26-82-119)

TO MAKE TECHNICAL CORRECTIONS TO TITLE 26 OF THE ARKANSAS CODE CONCERNING TAXATION

ACT 1279 OF 2013 (ARK. CODE ANN. 26-36-213)

TO PROVIDE ADDITIONAL MEASURES TO COLLECT DELINQUENT PROPERTY TAXES, PENALTIES, AND INTEREST ON MINERAL RIGHTS

ACT 27 OF 2013 (ARK. CODE ANN. 26-35-705 AND 26-35-706)

TO ALLOW COUNTY OFFICIALS TO STREAMLINE DELIVERY OF CERTAIN DOCUMENTS BY ALLOWING A COLLECTOR TO CREATE AN ELECTRONIC REGISTRY FOR PROPERTY TAX STATEMENTS.

ACT 570 OF 2013 (ARK. CODE ANN. 14-126-101)

CONCERNING AN ALTERNATIVE SYSTEM OF ASSESSMENTS BY A LEVEE DISTRICT INCLUDING MORE THAN TWO COUNTIES

ACT 1520 OF 2013 (ARK. CODE ANN. 26-26-1308(a), 26-26-1902(b))

REQUIRES THAT PRODUCING MINERAL INTEREST BE REAPPRAISED ANNUALLY FOR AD VALOREM TAX PURPOSES. THIS ACT IS EFFECTIVE ON AND AFTER JANUARY 1, 2014.

ACT 553 OF 2013 (ARK. CODE ANN. 22-6-119, 22-6-120, 26-37-101(a)(1))

CLARIFIES THAT THE COMMISSIONER OF STATE LANDS MAY ACCEPT AN ELECTRONIC CERTIFICATION OF TAX-DELINQUENT PARCELS FROM A COUNTY.

ACT 59 OF 2015 (ARK. CODE ANN. 26-26-1408(a)(3))

EXTENSION OF THE LOCAL PERSONAL PROPERTY TAX ASSESSMENT PERIOD WHEN THE LAST DAY OF ASSESSMENT FALLS ON A SATURDAY, SUNDAY, OR POSTAL HOLIDAY.

ACT 71 OF 2015 (ARK. CODE ANN. 13-4-303(2))

ADDS INACTIVE HOMESTEAD CREDIT DOCUMENTS TO THE ASSESSOR'S RETENTION LAW. MAINTAIN FOR FIVE YEARS.

ACT 1057 OF 2015 (ARK. CODE ANN. 26-35-802)

TO STAY THE COLLECTION OF DELINQUENT PERSONAL PROPERTY TAXES PENDING APPEAL OF THE PERSONAL PROPERTY TAX ASSESSMENT.

ACT 1053 OF 2017 (ARK. CODE ANN. 26-37-202(b))

ADDS PROVISION FOR COMMISSIONER OF STATE LANDS TO OFFER TO SELL TAX-DELINQUENT LAND AT A POST-AUCTION PRIVATE SALE.

ACT 161 OF 2017 (ARK. CODE ANN 26-26-201(d))

REALLOCATED \$.50 LATE ASSESSMENT FEE AND CREATED THE ASSESSOR'S LATE ASSESSMENT FEE FUND ON THE BOOKS OF THE COUNTY TREASURER.

ACT 197 OF 2017 (AMENDS ARK. CODE ANN. 26-36-209)

CHANGED TIME TO PAY TREASURER FROM 5 TO 10 WORKING DAYS AND REMOVED SCHOOL DISTRICT COORDINATOR LANGUAGE UNDER 6-12-315 (REPEALED).

ACT 514 OF 2017 (AMENDS ARK. CODE ANN. 26-23-204, 26-36-213(a)(1)(C), 26-36-213(b)(2)(B)(ii))

TO AMEND NOTICE REQUIREMENTS RELATED TO PROPERTY TAXES; AND TO AMEND THE REQUIREMENTS FOR PUBLISHING NOTICE OF DELINQUENT TAXES ON MINERAL INTERESTS.

ACT 610 OF 2019 (ARK. CODE ANN. 26-3-301)

ADDED TO LIST OF EXEMPT PROPERTY HEAVY EQUIPMENT AND MOTOR VEHICLES LEASED FOR AT LEAST TWELVE MONTHS BELONGING EXCLUSIVELY TO THIS STATE.

ACT 659 OF 2019 (ARK. CODE ANN. 26-27-315(b), 26-27-317(c) AND (d), 26-27-318(d), 26-27-324, 26-27-325)
TO IMPROVE THE FAIRNESS OF PROPERTY TAX ADMINISTRATION BY ESTABLISHING A FAIR AND EQUITABLE BURDEN OF PROOF FOR PROPERTY TAX APPEALS, CLARIFYING THE STANDARD FOR CORRECTION OF ERRORS AND REFUNDS, AND PRESCRIBING TAXPAYER RIGHTS IN HEARINGS BEFORE THE ARKANSAS PUBLIC SERVICE COMMISSION; TO IMPROVE THE OPERATION OF COUNTY EQUALIZATION BOARDS BY PRESCRIBING TRAINING COURSES AND PROVIDING FOR UNIFORM HEARING PROCEDURES.

ACT 808 OF 2019 (ARK. CODE ANN. 26-26-310(b)(2)(C) AND 26-26-1118(a)(1)(A))
TO INCREASE THE HOMESTEAD PROPERTY TAX CREDIT; MAINTAIN FUNDING FOR CURRENT PROPERTY TAX RELIEF; AND PROVIDE FOR THE USE OF THE EXCESS FUNDS IN THE PROPERTY TAX RELIEF TRUST FUND.

ACT 831 OF 2019 (ARK. CODE ANN. 26-26-1122(A)(2)(B))
TO AMEND THE DEFINITION OF "HOMESTEAD" AS USED IN AMENDMENT 79 OF THE ARKANSAS CONSTITUTION FOR PROPERTY TAX PURPOSES TO INCLUDE THE DWELLING OF A BENEFICIARY OF AN IRREVOCABLE TRUST.

NOTES

