

## THE ARKANSAS TAXPAYER BILL OF RIGHTS

The 1999 regular session of the Arkansas General Assembly produced some phenomenal legislation that has had and will continue to have a profound effect on the ad valorem tax system in the state of Arkansas.

Act 572, or The Arkansas Property Taxpayer Bill of Rights as it is better known, provides as its stated goals and objectives that the Arkansas Taxpayer will have the right:

- To be taxed fairly and assessed equitably throughout the state
- To have access to information concerning how the system of property taxation works and how their tax dollars are spent
- To participate in the determination of tax rates or Millage rates levied in local taxing units
- To fair and courteous treatment throughout the property tax system
- To review the reassessments and methodology used in determining the value of their properties and that of comparable properties
- To a prompt response by government officials to inquiries regarding the value of their properties
- To require government officials or others responsible for valuation of property to review and correct any measurement error to the nearest foot, clerical error, or other technical error which occurred in the valuation of their property
- To be sent a notice setting forth the following:
  - A) The amount of any change in property value
  - B) The right of the taxpayer to appeal such a change
  - C) The procedures which must be followed on appeal, including the name, title, address and telephone number of the Secretary of the Equalization Board to whom the appeal and any supporting documentation should be directed; the deadline for requesting a hearing and the proof required for adjustment of value.
- To complete all steps in the appeal process before paying any disputed taxes
- To receive written notification of the outcome of any appeal
- To recover any overpayment of taxes resulting from erroneous assessments within (3) years after payment."

The act sets out specific provisions in an attempt to accomplish the foregoing goals and objectives. If you have difficulty with any of the provisions contained therein, we may be able to assist you.

The property tax time line spans two years. The first year is used to establish the assessed values of property and levy millage rates. The

second year is when the taxes will be collected and distributed to the cities, counties and school districts.

During the assessment year county assessors, clerks, equalization boards and judges are the people working to establish the assessed value. School boards and patrons, city councils and the county quorum courts set millage rates. The quorum court formally levies millage rates for cities, schools and county governments.

During the collection year county clerks, collectors, treasurers are the people working to collect and distribute the taxes to the cities, counties, and school districts.

Property taxes are collected each year, so it is readily obvious that each assessment year is also a collection year - the collection year for the previous assessment year.

## **Important Dates**

Following is a snapshot of one year and deadlines and duties that are being performed each month. Note: Amendment 79, approved in the 2000 general election, added deadlines and duties for elected officials, which are included.

### **JANUARY**

Lien date: Property taxes constitute a lien on property and bind that property from the first Monday in January of the assessment year until the taxes are paid in the collection year. (A.C.A. §26-34-101)

Valuation date: All property is assessed according to its value on January 1 of the assessment year. (A.C.A. §26-26-1201)

#### **Property Owner**

**Lists personal property with assessor through May 31** (A.C.A. § 26-26-1408)

Registers homestead with assessor through October 10 (A.C.A. §26-26-1118)

#### **Assessor**

Values real property through July 1. (A.C.A. § 26-26-1101)

Values personal property through July 31 (A.C.A. § 26-26-1408)

Reports homestead registrants to collector through October 10. (A.C.A. §26-26-1118)

Reports real estate sales to the ACD no later than January 31 (A.C.A. §

26-26-304)

## **FEBRUARY**

### **Property Owner**

Lists personal property with assessor through May 31. (A.C.A. § 26-26-1408)

Registers homestead with assessor through October 10. (A.C.A. §26-26-1118)

### **Assessor**

Values real property through July 1. (A.C.A. §26-26-1101)

Values personal property through July 31 (A.C.A. §26-26-1408)

Reports homestead registrants to collector through October 10. (A.C.A. §26-26-1118)

## **MARCH**

### **Property Owner**

Lists personal property with assessor through May 31. (A.C.A. §26-26-1408)

Registers homestead with assessor through October 10. (A.C.A. §26-26-1118)

Pay previous year taxes. (A.C.A. §26-35-501)

### **Utilities & Carriers**

Lists property with the Tax Division of the Public Service Commission by March 1st. (A.C.A. § 26-26-1602)

### **Assessor**

Values real property through July 1. (A.C.A. §26-26-1101)

Values personal property through July 31 (A.C.A. §26-26-1408)

Reports homestead registrants to collector through October 10. (A.C.A. §26-26-1118)

## **APRIL**

### **Property Owner**

Lists personal property with assessor through May 31. (A.C.A. §26-26-1408)

Register homestead with assessor through October 10. (A.C.A. §26-26-1118)

Pay previous year taxes. (A.C.A. §26-35-501)

### **Assessor**

Values real property through July 1. (A.C.A. §26-26-1101)  
Values personal property through July 31 (A.C.A. §26-26-1408)  
Reports homestead registrants to collector through October 10. (A.C.A. §26-26-1118)

## **MAY**

### **Property Owner**

Lists personal property with assessor through May 31 (A.C.A. §26-26-1408)  
Register homestead with assessor through October 10. (A.C.A. § 26-26-1118)  
Pay previous year taxes. (A.C.A. §26-35-501)

### **Assessor**

Values real property through July 1. (A.C.A. §26-26-1101)  
Values personal property through July 31 (A.C.A. §26-26-1408)  
Reports homestead registrants to collector through October 10. (A.C.A. §26-26-1118)

## **JUNE**

### **Property Owner**

Registers homestead with assessor through October 10 (A.C.A. § 26-26-1118)  
Pays previous year taxes. (A.C.A. § 26-35-501)

### **Assessor**

Values real property through July 1. (A.C.A. § 26-26-1101)  
Values personal property through July 31 (A.C.A. § 26-26-1408)  
Reports homestead registrants to collector through October 10. (A.C.A. §26-26-1118)

## **JULY**

### **Property Owner**

Registers homestead with assessor through October 10 (A.C.A. § 26-26-1118)  
Pays previous year taxes. (A.C.A. § 26-35-501)

### **Assessor**

Values real property through July 1. (A.C.A. § 26-26-1101)  
Values personal property through July 31 (A.C.A. § 26-26-1408)  
Notify property owners of value increases no later than 10 business days after the 1st. (A.C.A. § 26-23-203).

Reports homestead registrants to collector through October 10. (A.C.A. § 26-26-1118)

## **AUGUST**

### **Property Owner**

Registers homestead with assessor through October 10 (A.C.A. § 26-26-1118)

Pays previous year taxes. (A.C.A. § 26-35-501)

**Petitions for equalization board hearing by the 3rd Monday.** (A.C.A. § 26-27-317)

### **Assessor**

Attend the equalization board hearings. (A.C.A. § 26-27-313)

Reports homestead registrants to collector through October 10. (A.C.A. § 26-26-1118)

Reports total assessment to Assessment Coordination Department on August 1. (A.C.A. § 26-26-304)

### **County Clerk**

Assumes control of the assessment roll on August 1. The assessor must file the assessment reports with clerk by the 3rd Monday. (A.C.A. § 26-26-716)

**Clerk or Designee acts as Equalization board secretary.** (A.C.A. § 26-27-307)

### **Equalization Board**

Review overall assessment equalization. (A.C.A. § 26-27-315)

Hear property owner appeals. (A.C.A. § 26-27-317 & Act 1567, 2001)

## **SEPTEMBER**

### **Property Owner**

Registers homestead with assessor through October 10 (A.C.A. § 26-26-1118)

Pays previous year taxes. (A.C.A. § 26-35-501)

### **Assessor**

Attend the equalization board hearings. (A.C.A. § 26-27-313)

Reports homestead registrants to collector through October 10. (A.C.A. § 26-26-1118)

### **County Clerk**

Clerk or Designee acts as Equalization board secretary. (A.C.A. § 26-27-307)

### **Equalization Board**

Review overall assessment equalization. (A.C.A. § 26-27-315)

Hear property owner appeals. (A.C.A. § 26-27-317 & Act 1567, 2001)

### **School Districts**

Elections on the 3rd Tuesday. (A.C.A. § 6-14-102)

## **OCTOBER**

### **Property Owner**

Registers homestead with assessor through October 10 (A.C.A. § 26-26-1118)

Pays previous year taxes. Deadline is the 10th. (A.C.A. § 26-35-501)

Petition the county court for hearing on or before the 2nd Monday.

(A.C.A. § 26-27-318)

### **Assessor**

Attend the equalization board hearings. (A.C.A. § 26-27-313)

Reports homestead registrants to collector through October 10. (A.C.A. § 26-26-1118)

### **County Clerk**

Clerk or Designee acts as Equalization board secretary. (A.C.A. § 26-27-307)

### **Equalization Board**

Adjourn regular session on the 1st. (A.C.A. § 26-27-309)

Call Special Session if necessary to:

Review overall assessment equalization. (A.C.A. § 26-27-315)

Hear property owner appeals. A.C.A. § 26-27-317 & Act 1567, 2001)

## **NOVEMBER**

### **Assessor**

Files reappraisal plan with Assessment Coordination Department by November 1 of the year before a new reappraisal cycle begins. (A.C.A. § 26-26-1905)

### **County Clerk**

Clerk or Designee acts as Equalization board secretary. (A.C.A. § 26-27-307)

Report the "Final Abstract of the Tax Books" to the state by the 2nd Monday in November. (A.C.A. § 26-27-321) Begins extending taxes after the quorum court levy - prepares tax book. (A.C.A. § 26-28-103)

**Equalization Board**

Special session may extend until the 3rd Monday in November. (A.C.A. § 26-27-311)

**County Judge**

Sits as county court to hear appeals from equalization board decisions. (A.C.A. § 26-27-318)

**City Council**

Sets general millage rate before the quorum court levies. (Article 12, § 4 Arkansas Constitution & A.C.A. § 26-73-202)

**Quorum Court**

Levies the millage rates for all taxing entities in its November meeting. (A.C.A. § 14-14-904)

## Questions // Answers

**Where do my property taxes go?**

The property tax is a local tax. County government administers it. It supports schools (76%), counties (16%), cities (8%), and some community colleges (less than 1%).

**When and where can I pay my taxes?**

Taxes may be paid by mail or in person to your local county collector and are due by the 10th day of October. Real estate taxes may be paid in installments: 1/4 due by April 15, 1/4 due by July 15, and the final 1/2 due by October 10.

**How can I appeal my assessment?**

Call your county assessors' office first for an informal appeal. If you are not satisfied with the results then call your county clerk and schedule an appointment with the county equalization board. It is too late to appeal after you have received your tax bill but the assessments for the next tax bill may be appealed.

**When can I appeal my assessment?**

The county equalization board normally meets in the months of August and September to hear assessment appeals. Schedule your appointment for appeal with the county clerk prior to this meeting.

**How do I calculate my tax bill?**

The market value of all of your taxable property (as established by the county assessor) is multiplied by 20 % (the assessment level applied in Arkansas).

Multiply this assessed value times the millage rate established for your jurisdiction.

**How are millage rates established?**

School millage is set by election each September. The governing bodies establish county general, county road and city general millage in November. Other millage such as library, and firemen's pension millage are established by election, levied in November of each year and will carry forward as long as the purpose exists.

**Why did my property tax increase this year?**

One of two things can lead to a tax increase; your property value increased or the millage rate levied in your jurisdiction was increased.

**Tax rates are stated in mills. What is a mill?**

A mill is one tenth of a percent. On your calculator use .001.

**Does the millage rate apply to the full value of my property?**

No. Your property is first assessed at 20% of its full value by law. Then the assessed value is multiplied by the millage to determine the property tax.

**How much will a one-mill increase cost the average taxpayer in taxes?**

Someone who wishes to propose a tax increase usually asks this question so that they can get the information out to the voting public. The public can best relate to the tax increase on a house. Choose a typical house value for your community; it may be \$40,000 or \$140,000 or something else. To calculate the tax take the house value you have chosen, \$75,000 for example, and multiply this value by 20%, which is the assessment level. In this case it would be \$15,000. Multiply the \$15,000 times one mill or .001, which is \$15.00. So, it can be stated that a one mill increase on a \$75,000 home will cost the taxpayer an additional \$15.00 a year in taxes.

**How many dollars will a one-mill increase generate for my taxing unit (i.e. city, school, county or community college)?**

Simply multiply the total assessment base of the taxing unit by .001. The total assessments for a taxing unit can be determined by calling your county assessor or by looking it up on this web site under "Statewide values and rates". You may need to adjust for collection loss, check with the county collector.