STATE OF ARKANSAS
ATTORNEY GENERAL
LESLIE RUTLEDGE

Opinion No. 2015-131

March 10, 2016

The Honorable Stephanie Flowers
State Senator
217 South Main Street
Pine Bluff, AR 71601

Dear Senator Flowers:

This is my opinion on your question about eligibility for the homestead property tax credit mandated by Amendment 79.

Your question involves a person who lives in a house that was owned by her now-deceased parents. County real property and tax records still show her parents as the owners of the property.

Your question is whether the person is entitled to the homestead property tax credit.

RESPONSE

In my opinion, the answer to your question is "no."

DISCUSSION

Amendment 79 requires the General Assembly to establish an annual homestead credit of at least $300 against ad valorem property taxes.[1]

[1] Ark. Const. amend. 79, § 3.

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The General Assembly has enacted a law providing that any "property owner" is entitled to a credit of $350 against real property taxes otherwise owed on his or her homestead.[2]

"Property owner" is defined as an owner of record, a mortgagee, a buyer under a recorded contract to purchase, a person holding a recorded life estate, or, in certain circumstances, a previous record owner whose tax-delinquent property has vested in the State.[3]

Based on the information you have provided, the person prompting your request does not appear to be an owner of record or otherwise described in the definition of "property owner." In my opinion, again based solely on the facts provided to me in your request, the person is not eligible to claim the homestead property tax credit.

The law provides that the Arkansas Assessment Coordination Department (the "ACD") "shall have the full power and authority ... to answer all questions that may arise in the construction of any statute affecting the assessment ... or collection of [property] taxes...."[4] It also provides that the ACD's interpretations and rules are binding on officers.[5] My opinion is consistent with the ACD's published guidance regarding the ownership requirement for the homestead property tax credit.[6]

Sincerely,

LESLIE RUTLEDGE
Attorney General

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[2] Ark. Code Ann. § 26-26-1118(a)(1)(A) (Supp. 2015).

[3] Ark. Code Ann. § 26-26-1122(a)(4)(A), (b) (Repl. 2012).

[4] Ark. Code Ann. § 26-24-106(a) (Repl. 2012). The statute refers to the Arkansas Public Service Commission (the "PSC") but the reference is appropriately read as one to the ACD, successor to the PSC in this respect. *See* Ark. Code Ann. §§ 25-28-101 to -102 (Repl. 2014).

[5] Ark. Code Ann. § 26-24-106(b).

[6] *See* Arkansas Assessment Coordination Department, Assessor's Guide 29 (3rd ed. 2009).