

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

A Bill

SENATE BILL 530

5 By: Senator L. Eads
6 By: Representative D. Douglas
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW TO CREATE TRANSPARENCY ON
10 CERTAIN PROPERTY TAX APPEALS; TO AMEND THE LAW
11 CONCERNING APPEALS OF THE ASSESSMENT OF CERTAIN
12 PROPERTY; TO DECLARE AN EMERGENCY; AND FOR OTHER
13 PURPOSES.
14

Subtitle

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16 TO AMEND THE LAW TO CREATE TRANSPARENCY
17 ON CERTAIN PROPERTY TAX APPEALS; TO AMEND
18 THE LAW CONCERNING APPEALS OF THE
19 ASSESSMENT OF CERTAIN PROPERTY; AND TO
20 DECLARE AN EMERGENCY.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code § 26-27-317(d)(1)(D) and (E), concerning
27 applications for the adjustment of an assessment to a county equalization
28 board, are amended to read as follows:

29 (D)(i) For protests and appeals of commercial and
30 industrial property, operating as such at the time of assessment, any party
31 that intends to offer into evidence a sale or lease transaction as evidence
32 of the value of the property that is the subject of the protest or appeal
33 before the county equalization board shall have an affirmative duty to
34 disclose both of the following at least five (5) days prior to the hearing:

35 (a) Whether the proposed comparable property
36 was occupied or unoccupied at the time of the transaction; and



1 (b) Whether the proposed comparable property
2 was subject to any use, deed, or lease restriction at the time of the
3 transaction that prohibits the property on which a building or structure sits
4 from being used for the purpose for which the building or structure was
5 designed, constructed, altered, renovated, or modified.

6 (ii)(a) The purpose of the disclosure is so that the
7 county equalization board can determine whether the proposed comparable
8 property is similarly situated to the subject property on appeal.

9 (b) Failure to disclose this information at
10 the time the sale or lease transaction is offered into evidence shall result
11 in the proffered evidence being deemed inadmissible.

12 (E) After the evidence has been presented by both parties
13 under this subsection, the county equalization board shall consider all
14 evidence presented at the hearing and make a determination based on evidence
15 presented by the parties to either accept the valuation of the subject
16 property set by the county assessor or raise or lower the valuation of the
17 subject property.

18 ~~(E)-(i)~~(F)(i) Except as necessary during other hearings of
19 the county equalization board for the purpose of comparison or equalization,
20 or both, ex parte communications between members of the county equalization
21 board or between a member of the county equalization board and other persons
22 concerning property on appeal before the county equalization board are
23 prohibited.

24 (ii) However, members of the county equalization
25 board may communicate with the attorneys for the county equalization board
26 and with the secretary for the county equalization board for purposes of
27 scheduling.

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29 SECTION 2. Arkansas Code § 26-27-318(d), concerning appeals of county
30 equalization board decisions to county courts, is amended to add an
31 additional subdivision to read as follows:

32 (3)(A) For protests and appeals of commercial and industrial
33 property, operating as such at the time of assessment, any party that intends
34 to offer into evidence a sale or lease transaction as evidence of the value
35 of the property that is the subject of the protest or appeal before the court
36 shall have an affirmative duty to disclose both of the following at least

1 five (5) days prior to the hearing:

2 (i) Whether the proposed comparable property was
3 occupied or unoccupied at the time of the transaction; and

4 (ii) Whether the proposed comparable property was
5 subject to any use, deed, or lease restriction at the time of the transaction
6 that prohibits the property, on which a building or structure sits from being
7 used for the purpose for which the building or structure was designed
8 constructed, altered, renovated, or modified.

9 (B)(i) The purpose of the disclosure is so that the court
10 can determine whether the proposed comparable property is similarly situated
11 to the subject property on appeal.

12 (ii) Failure to disclose this information at the
13 time the sale or lease transaction is offered into evidence shall result in
14 the proffered evidence being deemed inadmissible.

15 (C)(i) The court shall consider all evidence when
16 determining whether comparable properties are similarly situated to the
17 subject property.

18 (ii) Nothing in this section is meant to restrict a
19 court's consideration of whether a proposed comparable property is similarly
20 situated to the subject property.

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22 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
23 General Assembly of the State of Arkansas that county equalization board
24 meetings begin August 1 of each year; that interested parties will need
25 adequate time to prepare to comply with this act before the first meetings of
26 the county equalization boards; and that this act is necessary to give
27 interested parties adequate notice and time to prepare to present evidence
28 when the county equalization boards meet. Therefore, an emergency is
29 declared to exist, and this act being necessary for the preservation of the
30 public peace, health, and safety shall become effective on July 1, 2019.