

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

As Engrossed: H3/19/25

A Bill

HOUSE BILL 1691

5 By: Representative Torres
6 By: Senator D. Wallace
7

For An Act To Be Entitled

9 AN ACT TO PROVIDE FOR CERTAIN PROPERTY TO BE EXEMPT
10 FROM TAXATION; TO PROVIDE THAT CERTAIN MOTOR VEHICLES
11 USED EXCLUSIVELY FOR PUBLIC CHARITY ARE EXEMPT FROM
12 PERSONAL PROPERTY TAX; AND FOR OTHER PURPOSES.
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Subtitle

16 TO PROVIDE FOR CERTAIN PROPERTY TO BE
17 EXEMPT FROM TAXATION; AND TO PROVIDE
18 THAT CERTAIN MOTOR VEHICLES USED
19 EXCLUSIVELY FOR PUBLIC CHARITY ARE
20 EXEMPT FROM PERSONAL PROPERTY TAX.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. DO NOT CODIFY. Legislative findings.

25 The General Assembly finds that:

26 (1) Arkansas Constitution, Article 16, § 5, provides that
27 buildings, grounds, and materials used exclusively for public charity
28 purposes are exempt from property tax;

29 (2) The Assessment Coordination Division has recognized that
30 motor vehicles owned by public charities and used exclusively for the
31 purposes of public charity are exempt from personal property tax as materials
32 of public charity;

33 (3) The General Assembly has provided flexibility for the state
34 and local governments to determine if a vehicle belonging to the state or a
35 local government should be leased or purchased;

36 (4) A motor vehicle as defined in § 26-52-103 that belongs to



1 the state or a local government and is subject to a lease of at least twelve
2 (12) months is exempt from taxation; and

3 (5) For the purpose of the personal property tax exemption, the
4 General Assembly should extend the same flexibility to public charities to
5 determine if a motor vehicle that belongs to a public charity and is used
6 exclusively for purposes of the public charity should be leased or purchased.

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8 SECTION 2. Arkansas Code § 26-3-301(7), concerning property that is
9 exempt from tax, is amended to read as follows:

10 (7) All buildings belonging to institutions of purely public
11 charity, together with the land actually occupied by these institutions, not
12 leased or otherwise used with a view to profit, ~~and~~ all moneys and credits
13 appropriated solely to sustaining, and belonging exclusively to, these
14 institutions, and motor vehicles, as defined in § 26-52-103, that are used
15 exclusively for purposes of public charity and are subject to a lease of at
16 least twelve (12) months by an institution of public charity;

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18 SECTION 3. EFFECTIVE DATE. Section 2 of this act is effective for
19 assessment years beginning on or after January 1, 2026.

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21 /s/Torres
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