



**State of Arkansas
Department of Finance and Administration
Fiscal Impact Statement**

Bill: HB1208

Bill Subtitle: TO ALLOW THE ARKANSAS PUBLIC EMPLOYEES' RETIREMENT SYSTEM TO COLLECT AMOUNTS OF OVERPAYMENTS FOR DEBTS OWED TO A STATE SUPPORTED RETIREMENT SYSTEM ADMINISTERED BY THE ARKANSAS PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

Sponsors:

Rep. Warren and Sen. Gilmore

Basic Change:

HB1208 amends § 26-36-303(1)(A) to add the Arkansas Judicial Retirement System and the State Police Retirement System as claimant agencies who can offset a taxpayer's state income tax refund to satisfy a debt. The Arkansas Public Employees' Retirement System is already a claimant agency.

HB1208 also amends § 26-36-303(2)(H) to allow a claimant agency to collect an overpayment of a monthly benefit or lump sum from a state retirement system administered by the Arkansas Public Employees' Retirement System.

Fiscal Impact:

None.

Taxpayer Impact:

A taxpayer's income tax refund would be subject to potential offset if the taxpayer owes a debt to the Arkansas Judicial Retirement System or the State Police Retirement System.

Resources Required:

Computer programs, tax forms, and instructions will need to be updated. Programming costs for the Arkansas Integrated Revenue System (AIRS) are estimated to be \$8,000 with no ongoing maintenance.

Time Required:

Adequate time is provided for implementation.

Procedural Changes:

The Arkansas Judicial Retirement System and the State Police Retirement System will be added to the list of claimant agencies for income tax refund offsets.



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Other Comments:

None.

Legal Analysis:

None.