



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

Bill: HB1809

Amendment Number: H1

Bill Subtitle: TO ALLOW FOR PROPERTY OWNED BY A TRUST OR A LIMITED LIABILITY COMPANY TO QUALIFY AS A HOMESTEAD FOR PURPOSES OF THE PROPERTY TAX EXEMPTION FOR DISABLED VETERANS IN CERTAIN CIRCUMSTANCES.

Procedural Changes:

Currently, qualifying DAVs or surviving spouses or minor dependents provide documentation proving the DAV's eligibility, or eligibility at time of death, for the exemption, in the form of a letter from the Dept. of Veterans Affairs confirming that the veteran is 100% disabled or meets the other qualifying criteria regarding disability. If an LLC affiliated with the DAV as outlined in this bill were to qualify for such an exemption, the individual claiming the exemption would need to present to the collector *both* a) the document from the Dept. of Veterans Affairs and b) any and all documents required by county tax collectors to justify the exemption. County tax collectors would need to develop procedures to monitor remarriage of surviving spouse and children no longer considered minors.

Other Comments:

None.

Legal Analysis:

HB1809-H1 may benefit from an amendment on page 2, line 36, to provide that a veteran must furnish a copy of either the revocable or irrevocable trust to claim the exemption. As written, the bill only requires the production of an irrevocable trust.