



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

**Bill: SB263**

**Bill Subtitle: TO INCREASE THE HOMESTEAD PROPERTY TAX CREDIT.**

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**Sponsors:**

Sens. Crowell, Boyd, Bryant, Caldwell, Clark, Davis, Dees, Dismang, English, Flippo, Flowers, Gilmore, Hammer, Hester, Hill, Irvin, B. Johnson, M. Johnson, Leding, Love, Murdock, Payton, Penzo, Petty, Rice, Scott, Stone, Stubblefield, D. Sullivan, Tucker, and Wallace

Reps. Schulz, Achor, Andrews, Barnett, Beaty, Bentley, Breaux, Brooks, A. Brown, K. Brown, M. Brown, N. Burkes, R. Burkes, Joey Carr, Cavanaugh, Childress, Clowney, Cooper, Cozart, Crawford, Dalby, Duffield, Duke, Eaton, Ennett, Evans, Garner, Gazaway, Gonzales, Gonzales Worthen, Hall, Hawk, Henley, Holcomb, Hollowell, Hudson, Long, Lundstrum, Maddox, Magie, McClure, McCollum, McCullough, McGruder, McNair, J. Moore, K. Moore, Painter, Pearce, Perry, Puryear, Ray, J. Richardson, R. Scott Richardson, Richmond, Rose, Rye, Springer, Steimel, Torres, Tosh, Underwood, Unger, Vaught, Walker, Warren, Whitaker, Wing, Wooldridge, Wooten

**Basic Change:**

SB263 increases the Homestead Property Tax Credit from \$500 to \$600. The Homestead Property Tax Credit reduces the amount of real property taxes due on a property owner's qualified homestead for each assessment year. To claim the credit, a property owner registers with the county assessor and provides proof of eligibility for the credit.

SB263 is effective for assessment years beginning on or after January 1, 2025.

**Fiscal Impact:**

**CY2026** Total Impact of Increased Tax Credits - \$56 million

**CY2027** Total Impact of Increased Tax Credits - \$56.8 million

**Taxpayer Impact:**

A homeowner that receives the Homestead Property Tax Credit will receive a credit of \$600 against his or her real property tax liability.

**Resources Required:**

County Assessors and Tax Collectors will require software changes.

**Time Required:**

Adequate time is provided for implementation.

**Procedural Changes:**

County assessors, tax Collectors, and the taxpayer community will need to be notified of the increased tax credit amount.



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**Other Comments:**

None.

**Legal Analysis:**

None.