

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

# A Bill

HOUSE BILL 1809

5 By: Representative Warren  
6 By: Senator M. McKee  
7

## For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING THE PROPERTY TAX  
10 EXEMPTION FOR DISABLED VETERANS AND SURVIVING SPOUSES  
11 AND MINOR DEPENDENT CHILDREN OF DISABLED VETERANS; TO  
12 ALLOW FOR PROPERTY OWNED BY A TRUST OR A LIMITED  
13 LIABILITY COMPANY TO QUALIFY AS A HOMESTEAD FOR  
14 PURPOSES OF THE PROPERTY TAX EXEMPTION FOR DISABLED  
15 VETERANS AND SURVIVING SPOUSES AND MINOR DEPENDENT  
16 CHILDREN OF DISABLED VETERANS IN CERTAIN  
17 CIRCUMSTANCES; AND FOR OTHER PURPOSES.  
18  
19

## Subtitle

20  
21 TO ALLOW FOR PROPERTY OWNED BY A TRUST  
22 OR A LIMITED LIABILITY COMPANY TO  
23 QUALIFY AS A HOMESTEAD FOR PURPOSES OF  
24 THE PROPERTY TAX EXEMPTION FOR DISABLED  
25 VETERANS IN CERTAIN CIRCUMSTANCES.  
26

27 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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29 SECTION 1. Arkansas Code § 26-3-306(a)(2), concerning the property tax  
30 exemption for disabled veterans and the surviving spouses and minor dependent  
31 children of disabled veterans, is amended to read as follows:

32 (2) As used in this section:

33 (A) (i) "Homestead" means the:

34 ~~(i)~~ (a) Dwelling that a disabled veteran,  
35 surviving spouse of a disabled veteran, or minor dependent child of a  
36 disabled veteran occupies as his or her principal place of residence; and



1                   ~~(ii)(b)~~ Up to forty (40) acres of real  
 2 property contiguous to the dwelling under subdivision ~~(a)(2)(A)(i)~~  
 3 (a)(2)(A)(i)(a) of this section if the contiguous property is not being used  
 4 for a commercial purpose.

5                   (ii) "Homestead" includes a dwelling and real  
 6 property contiguous to the dwelling that:

7                                 (a) Meets the requirements of subdivision  
 8 (a)(2)(A)(i) of this section; and

9                                 (b) Is owned by:

10   (1) A revocable or irrevocable trust  
 11 formed by the disabled veteran who uses the dwelling as his or her principal  
 12 place of residence;

13   (2) An irrevocable trust of which the  
 14 disabled veteran who uses the dwelling as his or her principal place of  
 15 residence is a beneficiary; or

16   (3) A limited liability company, the  
 17 sole members of which are the disabled veteran who uses the dwelling as his  
 18 or her principal place of residence or the disabled veteran who uses the  
 19 dwelling as his or her principal place of residence and his or her spouse;  
 20 and

21                                 (B) "Personal property" means only those items of tangible  
 22 personal property ~~used~~ that are:

23   (i) Used for other than a commercial or business  
 24 purpose; and

25   (ii) Registered in the name of the disabled veteran.

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 27                 SECTION 2. Arkansas Code § 26-3-306(b), concerning the property tax  
 28 exemption for disabled veterans and the surviving spouses and minor dependent  
 29 children of disabled veterans, is amended to add an additional subdivision to  
 30 read as follows:

31                                 (3) A disabled veteran eligible for the exemption provided in  
 32 this section and desiring to claim an exemption with respect to property  
 33 described under:

34   (A) Subdivision (a)(2)(A)(ii)(b)(2) of this section shall  
 35 furnish to the county collector a signed, notarized, and file-marked copy of  
 36 the irrevocable trust; or

1                   (B) Subdivision (a)(2)(A)(ii)(b)(3) of this section shall  
2 furnish to the county collector the proof of eligibility required under § 26-  
3 26-1118(b)(2)(A)(ii).

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5           SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective  
6 for assessment years beginning on or after January 1, 2026.

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