

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 1274 of the Regular Session

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005

As Engrossed: H3/9/05

A Bill

HOUSE BILL 2633

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By: Representatives Stovall, Bradford, Abernathy, Adams, Blair, Blount, Bolin, Borhauer, Boyd, Bright, Chesterfield, Childers, Cowling, Dangeau, Davenport, Dickinson, Elliott, L. Evans, D. Evans, Fite, Flowers, George, Goss, Hardwick, Ledbetter, W. Lewellen, Mahony, Nichols, Overbey, Pickett, Rankin, Roebuck, Saunders, Sullivan, Sumpter, Thyer, Walters, Willis, Dobbins, *Berry, Clemons, Reep, Ragland*
By: Senators Capps, Brown, Luker, J. Bookout, Broadway, Bryles, Glover, Higginbothom, Horn, J. Jeffress, Madison, Malone, Miller, Trusty, Wooldridge, *Hill*

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For An Act To Be Entitled

AN ACT TO CONTINUE THE SUPPLEMENTAL MIXED DRINK TAX OF FOUR PERCENT (4%) FOR THE BENEFIT OF THE UNIVERSITY OF ARKANSAS FOR MEDICAL SCIENCES; AND FOR OTHER PURPOSES.

Subtitle

AN ACT TO CONTINUE THE SUPPLEMENTAL MIXED DRINK TAX OF FOUR PERCENT (4%) FOR THE BENEFIT OF THE UNIVERSITY OF ARKANSAS FOR MEDICAL SCIENCES.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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SECTION 1. Effective January 1, 2006, Arkansas Code § 3-9-213(b) and (c), pertaining to supplemental taxes on sales of alcoholic beverages, are amended to read as follows:

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(b)(1) In addition, there is levied a supplemental tax of ~~twelve percent (12%)~~ ten percent (10%) upon the gross proceeds or gross receipts from the sale of alcoholic beverages pursuant to this subchapter. ~~The supplemental tax imposed by this subsection is a temporary rate and will decrease to ten percent (10%) upon the gross proceeds or gross receipts from~~



1 ~~such sales of alcoholic beverages at such time after 1983 as the Arkansas~~
2 ~~gross receipts tax levied by the Arkansas Gross Receipts Act of 1941, as~~
3 ~~amended, is increased.~~

4 (2)(A) In addition to the tax levied under subdivision (b)(1) of
5 this section, a supplemental tax of four percent (4%) is levied on the gross
6 proceeds or gross receipts from the sale of alcoholic beverages under this
7 subchapter.

8 (B) However, the tax levied under subdivision (b)(2)(A) of
9 this section shall not apply to gross proceeds or gross receipts from the
10 sale of beer or wine.

11 (c)(1) The supplemental tax shall be reported and paid to the Director
12 of the Department of Finance and Administration in the same manner and at the
13 same time as the gross receipts tax and shall be subject to such reasonable
14 rules and regulations as the director may prescribe, including the
15 maintenance of permanent records showing all purchases and sales of alcoholic
16 beverages.

17 (2)(A) The tax levied under subdivision (b)(2) of this section
18 shall be credited as special revenues to the University of Arkansas Medical
19 Center Fund.

20 (B)(i) The funds credited under subdivision (c)(2)(A) of
21 this section shall be used exclusively for making loan repayments for
22 construction projects authorized by Acts 261, No. 1989 (1st Ex. Sess.) until
23 the loan is paid in full.

24 (ii) After the Chancellor of the University of
25 Arkansas for Medical Sciences certifies in writing to the Chief Fiscal
26 Officer of the State that the loan has been repaid in full, then revenue from
27 the tax collected under subdivision (b)2) of this section may be used for any
28 purpose authorized by law.

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31 SECTION 2. Effective January 1, 2006, Arkansas Code § 3-9-223(b) and
32 (c), pertaining to supplemental taxes on private club receipts, are amended
33 to read as follows:

34 (b)(1) In addition, there is levied a supplemental tax of ~~twelve~~
35 ~~percent (12%)~~ ten percent (10%) upon the gross proceeds or gross receipts
36 derived by the private club from the charges to members for the preparation

1 and serving of mixed drinks or for the cooling and serving of beer and wine,
2 drawn from the private stocks of the members as provided in § 3-9-221, for
3 consumption only on the premises where served.

4 ~~(2) The supplemental tax rate levied by this subsection is a~~
5 ~~temporary rate and will decrease to ten percent (10%) upon the gross proceeds~~
6 ~~or gross receipts from such charges to members at such time after 1983 as the~~
7 ~~Arkansas gross receipts tax levied by § 26-52-101 et seq., the Arkansas Gross~~
8 ~~Receipts Act of 1941, as amended, is increased. In addition to the tax levied~~
9 under subdivision (b)(1) of this section, a supplemental tax of four percent
10 (4%) is levied on the gross proceeds or gross receipts derived by the private
11 club from the charges to members for the preparation and serving of mixed
12 drinks drawn from the private stocks of the members as provided in § 3-9-221
13 for consumption only on the premises where served.

14 (c)(1) The supplemental tax shall be reported and paid to the Director
15 of the Department of Finance and Administration in the same manner and at the
16 same time as the gross receipts tax under § 26-52-101 et seq., the Arkansas
17 Gross Receipts Act of 1941, as amended, and shall be in addition to the tax.

18 (2)(A) The tax levied under subdivision (b)(2) of this section
19 shall be credited as special revenues to the University of Arkansas Medical
20 Center Fund.

21 (B)(i) The funds credited under subdivision (c)(2)(A) of
22 this section shall be used exclusively for making loan repayments for
23 construction projects authorized by Acts 261, No. 1989 (1st Ex. Sess.) until
24 the loan is paid in full.

25 (ii) After the Chancellor of the University of
26 Arkansas for Medical Sciences certifies in writing to the Chief Fiscal
27 Officer of the State that the loan has been repaid in full, then revenue from
28 the tax collected under subdivision (b)2) of this section may be used for any
29 purpose authorized by law.

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31 SECTION 3. Effective January 1, 2006, uncodified section 3(A) of Act
32 261 of the First Extraordinary Session of 1989 is repealed.

33 ~~(A) In order to assist the University of Arkansas for Medical Sciences~~
34 ~~in making loan repayments, there is hereby levied an additional tax of four~~
35 ~~percent (4%) which shall be in addition to and shall be collected in the same~~
36 ~~manner as the supplemental tax imposed by Arkansas Code 3-9-213 on the gross~~

1 ~~proceeds or gross receipts from the sale of alcoholic beverages sold for on~~
2 ~~premises consumption and there is levied an additional tax of four percent~~
3 ~~(4%) which shall be in addition to and shall be collected in the same manner~~
4 ~~as the supplemental tax imposed by Arkansas Code 3-9-223 on the gross~~
5 ~~proceeds or gross receipts derived by a private club from the charges to~~
6 ~~members for the preparation and serving of mixed drinks only. Beer and wine~~
7 ~~sales are specifically exempt from the additional tax levied herein including~~
8 ~~those sales in 'wet' or 'dry' counties or parts thereof and those beer and~~
9 ~~wine sales in public or private establishments. The tax receipts shall be~~
10 ~~deposited as special revenues into the State Treasury and credited to the~~
11 ~~University of Arkansas Medical Center Fund to be used exclusively for making~~
12 ~~loan repayments for construction projects authorized by this Act. The tax~~
13 ~~levied herein shall be in effect only from the effective date of this Act~~
14 ~~through the final loan repayment made by the University of Arkansas for~~
15 ~~Medical Sciences. This Act gives no additional taxing authority to any~~
16 ~~municipality. The Chancellor of the University of Arkansas for Medical~~
17 ~~Sciences shall certify in writing to the Chief Fiscal Officer of the State~~
18 ~~when the final loan repayment has been made, who shall then notify the~~
19 ~~Commissioner of Revenues that the tax levied herein has expired. Any monies~~
20 ~~received after such date shall be deposited in the State Treasury to be~~
21 ~~credited to the State Central Services Fund.~~

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/s/ Stovall, et al

APPROVED: 3/29/2005

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