



State of Arkansas
Department of Finance and Administration
Fiscal Impact Statement

Bill: HB1828

Bill Subtitle: TO CREATE A SALES AND USE TAX EXEMPTION FOR INSPIRATION POINT CENTER FOR THE ARTS, INC.

Sponsors:

Rep. Breaux and Sen. Bryant

Basic Change:

HB1828 creates a sales and use tax exemption for sales of tangible personal property, specified digital products, a digital code, or a service to Inspiration Point Center for the Arts, Inc.

HB1828 is effective on the first day of the calendar quarter following the effective date of the act.

Fiscal Impact:

FY2026

Total Approximate State Sales and Use Tax Loss	-\$5,160
(Estimated Effective Date 10/1/2025 --- 8 months reduced tax collection)	
General Revenue - 4.5%	-\$3,465
Property Tax Relief - .5%	-\$385
Conservation Fund - .125%	-\$96
Educational Adequacy Fund - .875%	-\$674
Highway Fund - .5%	-\$397
Educational Excellence Trust Fund -	\$0
Educational Adequacy (GR Transfer) -	\$0
State Central Services -	-\$95
Constitutional Officers -	-\$48
Total Approximate Local City and County Sales and Use Tax Loss	-\$2,620

FY2027

Total Approximate State Sales and Use Tax Loss	-\$7,972
General Revenue - 4.5%	-\$4,820
Property Tax Relief - .5%	-\$595
Conservation Fund - .125%	-\$149
Educational Adequacy Fund - .875%	-\$1,041
Highway Fund - .5%	-\$613
Educational Excellence Trust Fund -	-\$490
Educational Adequacy (GR Transfer) -	-\$43
State Central Services -	-\$147
Constitutional Officers -	-\$74



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Total Approximate Local City and County Sales and Use Tax Loss -\$4,048

Taxpayer Impact:

Inspiration Point Center for the Arts will no longer pay sales and use tax on purchases of tangible personal property, specified digital products, a digital code, or a service.

Resources Required:

None.

Time Required:

Adequate time is allowed for implementation.

Procedural Changes:

Department websites and staff training manuals will need to be updated to account for the changes.

Other Comments:

None.

Legal Analysis:

None.