



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

Bill: SB7

Bill Subtitle: TO ALLOW MEMBERS OF THE GENERAL ASSEMBLY TO REQUEST A SALES AND USE TAX REPORT FROM THE DEPARTMENT OF FINANCE AND ADMINISTRATION.

Sponsors:

Sen. Penzo

Basic Change:

SB7 amends § 26-73-115 to allow a member of the General Assembly to request that the Department of Finance and Administration (DFA) provide certain sales and use tax reports.

Under current law, the chief executive officer of a county, city, or town may request that DFA provide a report listing all businesses remitting sales and use taxes for the governmental entity. SB7 provides that a member of the General Assembly may also request such a report from DFA. While the chief executive officer may request a report only regarding information related to the county, city, or town for which the requestor serves as chief executive officer, SB7 allows a member of the General Assembly to request a report in regard to any jurisdiction, and the member need only identify the county, city, or town in the request.

Requests for the subject reports may be made by the requestor on no more than a quarterly basis and DFA is required to provide the requested information within 30 calendar days of the request.

Fiscal Impact:

None.

Taxpayer Impact:

None.

Resources Required:

No additional resources will be required.

Time Required:

Adequate time is provided for implementation.

Procedural Changes:

DFA staff would be trained on this update.

Other Comments:

None.



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Legal Analysis:

When the requestor is a chief executive officer of a county, city, or town, § 26-73-115 is clear that the requestor is limited to quarterly reports. It is not clear if SB7 similarly allows a member to request four reports each year total, or if each member can request four reports every year for each of the more than 400 local governments that impose a local sales and use tax. SB7 may benefit from an amendment to provide clarification on this issue.

SB7 may also benefit from an amendment to provide an exception to taxpayer confidentiality under § 26-18-303.