

2 State of Arkansas  
3 90th General Assembly  
4 Regular Session, 2015

# A Bill

HOUSE BILL 1921

5  
6 By: Representative Lemons

7 Filed with: House Committee on Revenue and Taxation  
8 pursuant to A.C.A. §10-3-217.

## 9 For An Act To Be Entitled

10 AN ACT TO ENCOURAGE CHARITABLE GIVING AND ELIMINATE  
11 PERVERSE AND ABSURD TAXES AND DISINCENTIVES ON  
12 CHARITABLE GIVING; TO EXEMPT CERTAIN WITHDRAWALS OF  
13 STOCK FROM THE SALES AND USE TAX; AND FOR OTHER  
14 PURPOSES.

## 16 Subtitle

17 TO ENCOURAGE CHARITABLE GIVING AND  
18 ELIMINATE PERVERSE AND ABSURD TAXES AND  
19 DISINCENTIVES ON CHARITABLE GIVING; AND  
20 TO EXEMPT CERTAIN WITHDRAWALS OF STOCK  
21 FROM THE SALES AND USE TAX.  
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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27 SECTION 1. Arkansas Code § 26-52-322(b)(2), concerning withdrawals  
28 from stock, is amended to read as follows:

29 (2) For purposes of calculating the gross receipts tax or the  
30 compensating use tax under subdivision (b)(1) of this section, the gross  
31 receipts or gross proceeds for a withdrawal from stock is ~~the:~~

32 (A) The value of any the goods, wares, merchandise, or  
33 tangible personal property withdrawn if the goods, wares, merchandise, or  
34 tangible personal property:

35 (i) Were withdrawn for consumption or use in the  
36 established business; or

1                   (ii) Are alcoholic beverages or tobacco products; or  
2                   (B) Zero dollars (\$0.00) if the goods, wares, merchandise,  
3 or tangible personal property, other than alcoholic beverages or tobacco  
4 products, were withdrawn for consumption or use by a:

5                   (i) Nonprofit organization described in 26 U.S.C. §  
6 501(c)(3), as it existed on January 1, 2015;

7                   (ii) Public educational institution;

8                   (iii) Nonprofit church; or

9                   (iv) Private individual who has suffered damage or  
10 loss as the result of a natural disaster if:

11                   (a) The private individual receiving the  
12 goods, wares, merchandise, or tangible personal property resides in an area  
13 of the state that the Governor has officially declared to be a disaster area;  
14 and

15                   (b) A representative of the established  
16 business provides a sworn affidavit to the Department of Finance and  
17 Administration with the report required under § 26-52-501 describing in  
18 detail the goods, wares, merchandise, or tangible personal property withdrawn  
19 and the disaster area in which each recipient resides.

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21           SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the  
22 first day of the calendar quarter following the effective date of this act.

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25 Referred by the Arkansas House of Representatives

26 Prepared by: VJF  
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