

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.

1 State of Arkansas  
2 83rd General Assembly  
3 Regular Session, 2001  
4

*As Engrossed: H1/18/01*

# A Bill

HOUSE BILL 1041

5 By: Representatives Prater, McMellon, *Creekmore, Dees, Parks*  
6 By: *Senators DeLay, K. Smith*  
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8

## For An Act To Be Entitled

9  
10 AN ACT TO PROVIDE AN EXEMPTION FOR A LIMITED PERIOD  
11 FOR CLOTHING AND FOOTWEAR FROM THE TAX LEVIED BY THE  
12 ARKANSAS GROSS RECEIPTS ACT OF 1941; AND FOR OTHER  
13 PURPOSES.  
14

### Subtitle

15  
16 TO PROVIDE A SALES TAX EXEMPTION FOR  
17 CLOTHING AND FOOTWEAR FOR A LIMITED  
18 PERIOD.  
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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22 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended  
23 to add the following new section:

24 26-52-433. Limited Exemption for Clothing and Footwear.

25 (a) The gross receipts or gross proceeds derived from the sale of an  
26 article of clothing or footwear designed to be worn on or about the human body  
27 are exempt from gross receipts tax if:

28 (1) The sales price of the article is less than one hundred  
29 dollars (\$100); and

30 (2) The sale takes place during a period beginning at 12:01 a.m.  
31 on the first Friday in August and ending at 12 midnight on the following  
32 Sunday of every year.

33 (b) This section does not apply to:

34 (1) Any special clothing or footwear that is primarily designed  
35 for athletic activity or protective use and that is not normally worn except  
36 when used for the athletic activity or protective use for which it is

1 desi gned;

2 (2) Accessories, including, but not limited to, jewelry, handbags,  
3 luggage, umbrellas, wallets, watches, and similar items carried on or about  
4 the human body, without regard to whether worn on the body in a manner  
5 characteristic of clothing; and

6 (3) The rental of clothing or footwear.

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8 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General  
9 Assembly of the State of Arkansas that the citizens of Arkansas bear a heavy  
10 financial burden during their annual preparations for the school year and that  
11 burden would be lessened by this act. In order for this act to be implemented  
12 in time for the 2001-2002 school year, adequate notice to retailers and the  
13 public must be given. Therefore, an emergency is declared to exist and this  
14 act being immediately necessary for the preservation of the public peace,  
15 health and safety shall become effective on the date of its approval by the  
16 Governor. If the bill is neither approved nor vetoed by the Governor, it  
17 shall become effective on the expiration of the period of time during which  
18 the Governor may veto the bill. If the bill is vetoed by the Governor and the  
19 veto is overridden, it shall become effective on the date the last house  
20 overrides the veto.

21 */s/ Prater, et al.*

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