

1 State of Arkansas
2 84th General Assembly
3 First Extraordinary Session, 2003
4

A Bill

Call Item 17

HOUSE BILL 1040

5 By: Representative King
6
7

For An Act To Be Entitled

9 AN ACT TO INCREASE THE STATE SALES AND USE TAX
10 RATE BY ONE-FOURTH OF ONE PERCENT (1/4 of 1%);
11 AND FOR OTHER PURPOSES.
12

Subtitle

14 TO INCREASE THE STATE SALES AND USE TAX
15 RATE BY ONE-FOURTH OF ONE PERCENT (1/4
16 of 1%).
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 26-52-302, pertaining to additional gross
22 receipts tax, is amended to add a new subsection to read as follows:

23 (d)(1) Beginning July 1, 2003, there is levied an additional excise
24 tax of one-fourth of one percent (1/4 of 1%) upon all taxable sales of
25 property and services subject to the tax levied by the Arkansas Gross
26 Receipts Act of 1941, as amended, § 26-52-101 et seq.

27 (2) The tax shall be collected, reported, and paid in the same
28 manner and at the same time as is prescribed by the Arkansas Gross Receipts
29 Act of 1941, as amended, § 26-52-101 et seq., for the collection, reporting,
30 and payment of Arkansas gross receipts taxes.

31 (3) The tax levied under this subsection (d) shall expire on
32 June 30, 2005.
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34 SECTION 2. Arkansas Code § 26-53-107, pertaining to additional use
35 taxes, is amended to add a new subsection to read as follows:

36 (d)(1) Beginning July 1, 2003, there is levied an additional excise



1 tax of one-fourth of one percent (1/4 of 1%) upon all tangible personal
2 property subject to the tax levied by the Arkansas Compensating Tax Act of
3 1949, as amended, § 26-53-101 et seq.

4 (2) The tax shall be collected, reported, and paid in the same
5 manner, and at the same time, as is prescribed by the Arkansas Compensating
6 Act of 1949, as amended, § 26-53-101 et seq., for the collection, reporting,
7 and payment of Arkansas compensating taxes.

8 (3) The tax levied under this subsection (d) shall expire on
9 June 30, 2005.

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11 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
12 General Assembly of the State of Arkansas that revenue available for the
13 support of necessary state services has declined during the last twelve (12)
14 months as a result of the nationwide economic slowdown; that without
15 additional revenue, some state services will be reduced or eliminated; that
16 some Arkansans will suffer as a result of service reductions or cuts; and
17 that this act is immediately necessary because it will provide the necessary
18 revenue to avoid state service reductions or cuts. Therefore, an emergency
19 is declared to exist and this act being necessary for the preservation of the
20 public peace, health, and safety shall become effective on July 1, 2003.

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