

1 State of Arkansas  
2 89th General Assembly  
3 Regular Session, 2013  
4

*As Engrossed: S3/12/13*

# A Bill

SENATE BILL 825

5 By: Senators U. Lindsey, Files, D. Johnson, S. Flowers, J. Woods, D. Wyatt, J. Hutchinson, K. Ingram, R.  
6 Thompson, B. Sample, Elliott, E. Cheatham, *Bookout, L. Chesterfield*  
7 By: Representatives D. Douglas, Broadaway, Holcomb, Copenhaver, E. Armstrong, Magie, D. Whitaker,  
8 C. Armstrong, Hodges, *Hillman, Scott, J. Edwards, H. Wilkins, Love, Wardlaw, McGill, Word, T.*  
9 *Thompson, Catlett, Williams, Sabin, Nickels, Walker, Lowery*

## For An Act To Be Entitled

12 AN ACT CONCERNING REPORTS FOR SALES AND USE TAXES;  
13 AND FOR OTHER PURPOSES.

### Subtitle

17 CONCERNING REPORTS FOR SALES AND USE  
18 TAXES.

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23 SECTION 1. Arkansas Code § 26-18-303(b), concerning privileged and  
24 confidential records, is amended to add an additional subdivision to read as  
25 follows:

26 (25) Disclosure of the following information from sales and use  
27 tax reports:

28 (A)(i) The Department of Finance and Administration shall  
29 prepare a quarterly report listing all businesses remitting sales and use  
30 taxes for counties and municipalities.

31 (ii) The chief executive officer of a county or  
32 municipality, or his or her designee, may request this report from the  
33 Department of Finance and Administration.

34 (iii) The Department of Finance and Administration  
35 shall provide the report within thirty (30) calendar days following the  
36 initial request and following the end of the calendar quarter for subsequent



1 reports;

2 (B)(i) Upon registration in the manner established by the  
3 Department of Finance and Administration, beginning with local taxes  
4 distributed to the local taxing entity in January 2014, the Department of  
5 Finance and Administration shall provide an additional monthly report to  
6 cities and counties that have an unelected employee or official designated as  
7 finance director, controller, or other similar title with responsibility to  
8 manage the financial affairs of the city or county, explaining the source and  
9 composition of the requesting city or county's tax collections that can be  
10 used to monitor local sales tax collections and trends.

11 (ii) The Department of Finance and Administration  
12 shall make the requested information available to the finance director or  
13 other employee or official:

14 (a) Not later than thirty (30) calendar days  
15 following the most recent monthly tax distribution; and

16 (b) By dedicated online account in usable  
17 electronic format.

18 (iii) The information provided in the report  
19 described in subdivision (b)(25)(A) may be combined and included along with  
20 the information described in this subdivision (b)(25)(B).

21 (iv) The report shall include the following  
22 information for the most recent month of tax collections for the requesting  
23 city or county:

24 (a) A schedule or schedules of separate  
25 amounts for net sales and use tax collections, rebates, and other adjustments  
26 with totals for each taxpaying or collecting entity identified by account  
27 identification number, North American Industry Classification System code,  
28 business name, and reporting address;

29 (b) The amount of sales and use tax collected  
30 related to motor vehicles;

31 (c) The amounts of excise taxes associated  
32 with vending machines, decals, and other activity included in local tax  
33 distributions with separate amounts identified for each category of tax;

34 (d) The combined totals of tax collections per  
35 the schedules listed in this subdivision (b)(25)(B)(iv), plus totals for any  
36 other collection source or deduction for any month, that equal the related

1 total tax transferred by the Department of Finance and Administration to the  
2 Treasurer of State for a local taxing jurisdiction for that particular month  
3 before any allocations, deductions, or adjustments made by the Treasurer of  
4 State; and

5 (e) A schedule of total collections grouped by  
6 North American Industry Classification System code category that equal the  
7 total reflected on the schedule described in subdivision (B)(25)(B)(iv)(d).

8 (C) Cities and counties not eligible to receive the  
9 monthly report under subdivision (b)(25)(B) shall receive the schedule  
10 described in subdivision (B)(25)(B)(iv)(e) after registration in a manner  
11 established by the Department of Finance and Administration. The report  
12 shall be available to those described in subdivision (b)(25)(A) and is not  
13 limited to finance directors or other similar employees or officials.  
14 Supplemental information shall also be provided by the Department of Finance  
15 and Administration that includes a total for each category of factors  
16 affecting monthly receipts related to prior periods and collections,  
17 including without limitation tax rebates, refunds, and additional tax  
18 payments;

19 (D) Upon request, the Department of Finance and  
20 Administration shall also provide to supplement the reports under  
21 subdivisions (b)(25)(B) and (C):

22 (i) Additional information related to prior period  
23 audit adjustments, refund and rebate claims, amended returns, or other  
24 adjustments that affect current period distributions; and

25 (ii) Information identifying the original period of  
26 tax activity and the reason for the prior period adjustment; and

27 (E)(i) The release of information described and authorized  
28 by subdivision (b)(25)(B) shall require a written agreement by the local  
29 government that specific taxpayer information remain confidential.

30 (ii) Specific taxpayer information received by a  
31 local government under subdivision (b)(25)(B) shall remain confidential and  
32 not subject to disclosure except in accordance with this section.

33 (iii) Any specific taxpayer information that is  
34 provided to a local government is not subject to the provisions of the  
35 Freedom of Information Act of 1967, § 25-19-101 et seq.

36 (iv) The Department of Finance and Administration

1 shall not release actual tax returns, forms, or reports submitted or used in  
2 the process of tax administration.

3  
4 SECTION 2. Arkansas Code 26-73-115 is amended to read as follows:

5 26-73-115. Sales and use tax reports.

6 ~~(a) Upon a request made in accordance with this section by a county or~~  
7 municipality, the Department of Finance and Administration shall provide a  
8 ~~report~~ the reports listing all businesses remitting sales and use taxes for  
9 the requesting governmental entity and other information related to the  
10 source and composition of tax collections as provided under § 26-18-  
11 303(b)(25).

12 ~~(b) In order to obtain a report from the department, no more than~~  
13 ~~quarterly, the chief executive officer of a county, city, or town may request~~  
14 ~~a report from the department on the information noted in subsection (a) of~~  
15 ~~this section.~~

16 ~~(c) The department shall provide the requested information within~~  
17 ~~thirty (30) calendar days of the request.~~

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19 */s/U. Lindsey*  
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