

"AN ACT TO AMEND SECTION 3 OF ACT 889 OF 1979, AS AMENDED, THE SAME BEING ARK. STAT. 84-1835, TO INCREASE THE CORPORATE FRANCHISE TAX; AND FOR OTHER PURPOSES."

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

SECTION 1. Section 3 of Act 889 of 1979, as amended, the same being Ark. Stat. Ann. 84-1835, is hereby amended to read as follows:

"Section 3. Every corporation shall file an annual franchise tax report and pay an annual franchise tax, unless exempted under Section 4 of this Act, as follows:

(a) Each life, fire, accident, surety, liability, steam boiler, tornado, health, or other kind of insurance company of whatever nature, having an outstanding capital stock of less than five hundred thousand dollars (\$500,000.00) shall pay one hundred dollars (\$100.00). Each such company having an outstanding capital stock of five hundred thousand dollars (\$500,000.00) or more shall pay two hundred dollars (\$200.00).

(b) Each legal reserve mutual insurance corporation having assets of less than one hundred million dollars (\$100,000,000.00) shall pay one hundred dollars (\$100.00). Each such corporation having assets of one hundred million dollars (\$100,000,000.00) or more, shall pay two hundred dollars (\$200.00).

(c) Each mutual assessment insurance corporation shall pay one hundred dollars (\$100.00).

(d) Each mortgage loan corporation, an amount equivalent to twenty-seven one hundredths of one percent (0.27%) of that proportion of the par value of its outstanding capital stock that its aggregate outstanding loans made in the State of Arkansas bears to the total aggregate outstanding loans made in all states. No such corporation shall pay an annual tax of less than one hundred dollars (\$100.00) or more than one million seventy-five thousand dollars (\$1,075,000.00).

(e) Each corporation, other than those in Subsections (b), (c), and (d) of this section, without authorized capital stock shall pay one hundred dollars (\$100.00).

(f) Each corporation, other than those in Subsections (a) through (e) of this Section, an amount equivalent to twenty-seven one hundredths of one percent (0.27%) of that proportion of the par value of its outstanding capital stock that the value of its real and personal property in the State of Arkansas bears to the total value of the real and personal property of the corporation. No such corporation shall pay an annual tax of less than fifty dollars (\$50.00) or more than one million seventy-five thousand dollars (\$1,075,000.00).

(g) Each corporation, actually and actively in the process of liquidation and which does not rent, or lease its property but which retains its corporate charter or authority for the sole purpose of winding up its affairs, shall pay an annual tax as provided in Subsection (f) of this section, or an amount equivalent to twenty-seven one hundredths of one percent (0.27%) of the value of its real and tangible personal property in Arkansas, whichever is smaller, but in no instance shall the tax be less than fifty dollars (\$50.00) or more than one million seventy-five thousand dollars (\$1,075,000.00).

SECTION 2. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 3. The increased rates provided in this Act shall be effective for annual tax reports due on and after January 1, 1988.

APPROVED: June 12, 1987
