

Act 168 of the 1989 Regular Session.

Act 168

HB1457

By: Representative Cunningham

"AN ACT TO AMEND ARKANSAS CODE OF 1987 ANNOTATED 26-55-222, AND TO REPEAL 26-55-227, TO MAKE BONDING REQUIREMENTS OF GASOLINE DISTRIBUTORS THE SAME AS BONDING REQUIREMENTS OF DIESEL SUPPLIERS; AND FOR OTHER PURPOSES."

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

SECTION 1. Arkansas Code of 1987 Annotated 26-55-222 is hereby amended to read as follows:

"26-55-222. Bonds - Requirement - Amounts - Conditions.

(a) Every distributor shall file with the Commissioner of Revenues a surety bond not less than one and one-half (1 1/2) times (or 150%) of the prior six (6) months average motor fuel tax due, based upon the gallonage of motor fuel to be sold or distributed as shown by the application for a permit if applicant has not heretofore been engaged in the business of a distributor as herein defined, or shown by sales for the previous year if the applicant theretofore has been engaged in such business in this state; provided, no bond shall be filed for less than \$1,000.00. If the Commissioner deems it necessary to protect the state in the collection of gasoline taxes, he may require any distributor to post a bond in an amount up to three (3) times (or 300%) of the prior six (6) months average motor fuel tax due.

(b) Provided further, the Commissioner of Revenues or his authorized agent is authorized to waive the posting of bond by any licensed motor fuel distributor that is organized and operating under the laws of Arkansas and that is wholly owned by residents of this state and who has been licensed for a period of at least three (3) years and who has not been delinquent in remitting motor fuel taxes during the three (3) year period immediately preceding application by the distributor for waiver of bond. If any motor fuel distributor whose bond has been waived by the Commissioner of Revenues or his agent as authorized in this paragraph subsequently becomes delinquent in remitting motor fuel taxes to the Commissioner of Revenues, the Commissioner or his agent may require that such distributor post a bond in the amount required in this section and such distributor shall not be eligible to petition for a waiver of bond for a period of three (3) years thereafter."

SECTION 2. Arkansas Code of 1987 Annotated 26-55-227 is hereby repealed.

SECTION 3. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 5. EMERGENCY. It is hereby found and determined by the General Assembly that this act is necessary to secure the indebtedness to the state for motor fuel taxes; that this act should go into effect on July 1, 1989, in order to provide sufficient time to give notice to all persons involved; and

that unless this emergency clause is adopted, the act may not go into effect on July 1, 1989. Therefore, an emergency is hereby declared to exist and this act being necessary for the preservation of the public peace, health and safety shall be in full force and effect on and after July 1, 1989.

APPROVED: February 21, 1989

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