

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**

A Bill

ACT 347 OF 1993
HOUSE BILL 1312

4 **By: Representatives D. Wood and Molinaro**

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For An Act To Be Entitled

8 "AN ACT TO AMEND TITLE 26, CHAPTER 75, SUBCHAPTER 6 OF THE
9 ARKANSAS CODE OF 1987 ANNOTATED FOR THE PURPOSE OF
10 CLARIFYING THE METHOD BY WHICH A CITY MAY PLEDGE THE
11 PROCEEDS OF A HOTEL AND RESTAURANT TAX TO SECURE THE
12 PAYMENT OF BONDS ISSUED TO PROVIDE PUBLIC RECREATION
13 FACILITIES SUCH AS CITY PARKS; PRESCRIBING OTHER MATTERS
14 RELATED THERETO; DECLARING AN EMERGENCY; AND FOR OTHER
15 PURPOSES. "

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Subtitle

"AN ACT PERTAINING TO THE HOTEL AND RESTAURANT
TAX."

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

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SECTION 1. Arkansas Code of 1987 Annotated § 26-75-604 is hereby amended by adding new subsection 26-75-604(c), as follows:

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"(c) When the electors of any city levy a gross receipts tax as set forth in subsection (b) of this section and when the electors of that city have pledged some or all of the proceeds thereof to the repayment of bonds, as set forth in § 26-75-606(b)(1) and (2) or § 26-75-613(a)(2), the proceeds so pledged shall be deposited in the city advertising and promotion fund and distributed by the city advertising and promotion commission in accordance with the pledge and enactment of the electors."

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SECTION 2. Arkansas Code of 1987 Annotated § 26-75-606(b)(2) is hereby amended to read:

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"(2) Funds credited to the city advertising and promotion fund, pursuant to this subchapter, may be used, spent or pledged by the commission, in addition to all other purposes prescribed in this subchapter, on and for the construction, reconstruction, repair,

1 **maintenance, improvements, equipping, and operation of public recreation facilities in said**
2 **city, including but not limited to facilities constituting city parks, and also for the payment of**
3 **the principal of, interest on, and fees and expenses in connection with, bonds, as provided in**
4 **this subchapter, in the manner as shall be determined by the city advertising and promotion**
5 **commission for the purpose of such payment."**

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

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11 **SECTION 4. If any provision of this act or the application thereof to any person or**
12 **circumstance is held invalid, such invalidity shall not affect other provisions or applications of**
13 **the act which can be given effect without the invalid provision or application, and to this end**
14 **the provisions of this act are declared to be severable.**

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16 **SECTION 5. All laws and parts of laws in conflict with this act are hereby repealed.**

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18 **SECTION 6. EMERGENCY. It is hereby found and determined by the General**
19 **Assembly that there is urgent need to revise current law relating to the advertising and**
20 **promotion commissions of municipalities and relating to the authorized uses of local revenues**
21 **derived from local sales taxes levied on gross receipts of hotels, motels, and restaurants, and**
22 **that the provisions of this act are designed to accomplish this purpose and are immediately**
23 **needed in order to clarify the methods of operating of such commissions and administration of**
24 **such taxes. Therefore, an emergency is hereby declared to exist and this act being necessary**
25 **for the preservation of the public peace, health and safety shall be in full force and effect from**
26 **and after its passage and approval.**

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APPROVED: 03/03/93