

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Senator Yates**

A Bill

ACT 669 OF 1993
SENATE BILL 600

For An Act To Be Entitled

8 "AN ACT TO CONFORM THE AMOUNT OF GROSS RECEIPTS, GROSS
9 PROCEEDS, OR SALES PRICE SUBJECT TO MUNICIPAL OR COUNTY
10 SALES OR USE TAX IN A SINGLE TRANSACTION; AND FOR OTHER
11 PURPOSES."

Subtitle

14 "TO CONFORM THE AMOUNT SUBJECT TO MUNICIPAL OR COUNTY
15 SALES OR USE TAX IN A SINGLE TRANSACTION."

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

19 SECTION 1. Arkansas Code 14-164-334(a) is amended to read as follows:

20 "(a) Any sales and use tax levied pursuant to this subchapter shall be
21 levied and collected only on the first two thousand five hundred dollars
22 (\$2,500) of gross receipts, gross proceeds or sales price from a single
23 transaction."

25 SECTION 2. Arkansas Code 26-74-213(a) is amended to read as follows:

26 "(a) A county shall provide in its ordinance authorized by this
27 subchapter a rebate from the county for taxes collected pursuant to this
28 subchapter in excess of the tax on the first two thousand five hundred dollars
29 (\$2,500) of gross receipts, gross proceeds or sales price from a single
30 transaction."

32 SECTION 3. Arkansas Code 26-74-220 is amended to read as follows:

33 "§26-74-220. Maximum tax limitation.

34 (a) Any county general sales or use tax levied pursuant to this
35 subchapter shall be levied and collected only on the first two thousand five
36 hundred dollars (\$2,500) of gross receipts, gross proceeds or sales price from

1 a single transaction, and vendors shall be responsible for collecting and
2 remitting the tax only on the first two thousand five hundred dollars (\$2,500)
3 of gross receipts, gross proceeds or sales price from a single transaction.
4 Vendors collecting, reporting, and remitting the county sales or use taxes
5 shall show county sales taxes as a separate entry on the tax report form filed
6 with the director.

7 (b) The term single transaction, as used in this section and §§
8 26-75-207 - 26-75-212, shall be defined by ordinance of the county levying the
9 tax. In the case of any taxpayer not subject to the levy of a use tax on
10 tangible personal property brought into the State of Arkansas for storage
11 until such property is subsequently initially used in the State of Arkansas, a
12 county use tax shall be computed on each purchase of such property by the
13 taxpayer as if all such property was subject upon purchase to the county use
14 tax only on the first two thousand five hundred dollars (\$2,500) of gross
15 receipts, gross proceeds or sales price from a single transaction. The taxes
16 so computed shall be aggregated on a monthly basis, and the aggregate monthly
17 amount shall be divided by the sum of the total purchases of such property on
18 which the taxes are computed, and the quotient shall be multiplied by the
19 amount of the taxpayer's property subsequently initially used and subject to
20 levy of a use tax within the county during the month for which the monthly
21 aggregate tax figure was computed, and the product shall be the amount of
22 county use tax liability for the taxpayer for the month computed."

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24 SECTION 4. Arkansas Code 26-75-222 is amended to read as follows:

25 "§26-75-222. Maximum tax limitation.

26 (a) Any municipal general sales or use tax levied pursuant to this
27 subchapter shall be levied and collected only on the first two thousand five
28 hundred dollars (\$2,500) of gross receipts, gross proceeds or sales price from
29 each single transaction, and vendors shall be responsible for collecting and
30 remitting the tax only on the first two thousand five hundred dollars (\$2,500)
31 of gross receipts, gross proceeds or sales price from each single transaction.
32 Vendors collecting, reporting, and remitting the municipal sales or use taxes
33 shall show municipal sales taxes as a separate entry on the tax report form
34 filed with the director.

35 (b) The term single transaction as used in this section and §§

1 26-75-207 - 26-75-212 shall be defined by ordinance of the municipality
2 levying the tax. In the case of any taxpayer not subject to the levy of a use
3 tax on tangible personal property brought into the State of Arkansas for
4 storage until such property is subsequently initially used in the State of
5 Arkansas, a municipal use tax shall be computed on each purchase of such
6 property by the taxpayer as if all such property was subject upon purchase to
7 the municipal use tax only on the first two thousand five hundred dollars
8 (\$2,500) of gross receipts, gross proceeds or sales price from each single
9 transaction. The taxes so computed shall be aggregated on a monthly basis, the
10 aggregate monthly amount shall be divided by the sum of the total purchases of
11 such property on which the taxes are computed, and the quotient shall be
12 multiplied by the amount of the taxpayer's property subsequently initially
13 used and subject to levy of a use tax within the municipality during the month
14 for which the monthly aggregate tax figure was computed, and the product shall
15 be the amount of municipal use tax liability for the taxpayer for the month
16 computed."

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18 SECTION 5. Arkansas Code 26-75-312(b) is amended to read as follows:

19 "(b) A city shall provide in its ordinance authorized by this
20 subchapter for a rebate from the city for taxes collected pursuant to this
21 subchapter in excess of the tax on the first two thousand five hundred dollars
22 (\$2,500) of gross receipts, gross proceeds or sales price from a single
23 transaction."

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25 SECTION 6. Any municipal or county sales or use tax levied pursuant to
26 the laws of this state shall be levied and collected only on the first two
27 thousand five hundred dollars (\$2,500) of gross receipts, gross proceeds or
28 sales price from a single transaction. This provision shall apply to all
29 municipal and county sales and use taxes heretofore or hereafter adopted and
30 shall be in addition to and not in lieu of any other limitations imposed by
31 law.

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33 SECTION 7. All provisions of this act of a general and permanent nature
34 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
35 Revision Commission shall incorporate the same in the Code.

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SECTION 8. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 9. All laws and parts of laws in conflict with this act are hereby repealed.

APPROVED: 3/24/93

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