

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**

A Bill

ACT 101 OF 1995
HOUSE BILL 1124

4 **By: Representatives Allen, Mullenix, and T. Smith**

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For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 14-164-329(b) TO PERMIT A
9 DELAY IN THE EFFECTIVE DATE OF A LOCAL SALES AND USE TAX
10 LEVIED TO RETIRE BONDED INDEBTEDNESS; DECLARING AN
11 EMERGENCY; AND FOR OTHER PURPOSES."

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Subtitle

14 "TO PERMIT A DELAY IN THE EFFECTIVE DATE
15 OF A LOCAL SALES AND USE TAX LEVIED TO
16 RETIRE BONDED INDEBTEDNESS."

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

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20 SECTION 1. Arkansas Code 14-164-329(b) is amended to read as follows:

21 "(b) In order to provide time for the preparations for election set
22 forth herein and to provide for the accomplishment of the administrative
23 duties of the director, the following effective dates are applicable with
24 reference to any such ordinance levying such tax:

25 (1) If no election challenge is filed within thirty (30) days of
26 the date of publication of the proclamation of the results of the election,
27 the tax shall, unless delayed as provided in subdivision (b)(3) of this
28 section, become effective on the first day of the first calendar month
29 subsequent to the expiration of the thirty-day period for challenge.

30 (2) In the event of an election contest, the tax shall be
31 collected as prescribed in subdivision (b)(1) of this section unless enjoined
32 by court order.

33 (3) The municipality or county may delay the effective date of
34 the tax. The delayed effective date shall be specified in the ordinance
35 levying the tax and on the ballot approving the bonds or the tax, except in
36 the event that the tax is replacing an existing tax. In such event, the

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1 ballot and the ordinance shall specify that the tax will replace the existing
2 tax and that the effective date of the tax will be the day following the date
3 the existing tax expires. The delayed effective date shall in any event be
4 the first day of a calendar month. The effective date shall not be delayed
5 for more than twelve (12) months, unless the tax replaces an existing tax."

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7 SECTION 2. All provisions of this act of a general and permanent nature
8 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
9 Revision Commission shall incorporate the same in the Code.

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11 SECTION 3. If any provision of this act or the application thereof to
12 any person or circumstance is held invalid, such invalidity shall not affect
13 other provisions or applications of the act which can be given effect without
14 the invalid provision or application, and to this end the provisions of this
15 act are declared to be severable.

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

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20 SECTION 5. EMERGENCY. It is hereby found and determined by the General
21 Assembly that a number of municipalities and counties in this State have
22 levied a local sales and use tax to be collected only for a specified time or
23 only so long as necessary to retire certain bonded indebtedness; that some of
24 such municipalities and counties have an immediate need to finance capital
25 improvements of a public nature; that under present law such municipalities
26 and counties must, in order to do so, levy an additional tax or wait until the
27 existing tax expires; and that such municipalities and counties should be
28 permitted to finance the needed capital improvements without increasing tax
29 rates by levying a new local sales and use tax at the same rate as the present
30 tax and delay the effective date of the new tax until the expiration of the
31 present. Therefore an emergency is hereby declared to exist and this act
32 being necessary for the preservation of the public peace, health and safety
33 shall be in full force and effect from and after its passage and approval.

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APPROVED: 1-27-95