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2 88th General Assembly
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As Engrossed: S2/21/11 S2/28/11
A Bill

SENATE BILL 256

4
5 By: Senators Madison, D. Johnson
6 By: Representatives Williams, J. Edwards
7

8 **For An Act To Be Entitled**

9 AN ACT TO MAKE VARIOUS CORRECTIONS TO TITLE 26 OF THE
10 ARKANSAS CODE OF 1987 CONCERNING TAXATION; AND FOR
11 OTHER PURPOSES.

12
13 **Subtitle**

14 AN ACT TO MAKE VARIOUS CORRECTIONS TO
15 TITLE 26 OF THE ARKANSAS CODE OF 1987
16 CONCERNING TAXATION.

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

18
19
20 SECTION 1. Arkansas Code Annotated § 26-18-303(b)(11)(E), concerning
21 confidential and privileged records, is amended to read as follows to remove
22 obsolete language:

23
24 (E) Commission for sale of stamps for cigarettes and the
25 collection of cigarette taxes, § 26-57-236(f), ~~as amended by Acts 1997, No.~~
26 ~~1337;~~
27

28
29 SECTION 2. Arkansas Code Annotated § 26-18-306(1)(1)(A), concerning
30 state tax procedures, is amended to read as follows to correct a reference:

31
32 (1)(1) The limitation periods in subsection (i) of this section
33 to file a claim for credit or refund of an overpayment of state tax do not
34 apply to a taxpayer who is a veteran if the:

35
36 (A) Overpayment of state tax claimed resulted from the:
37 (i) Reduction of uniformed service retired pay
38 computed under 10 U.S.C. § ~~1046 or 1047~~, 1406 or 1407, as in effect on



1 January 1, 2009; or

(ii) Waiver of retired pay under 38 U.S.C. § 5305,

3 as in effect on January 1, 2009; and

4

5 SECTION 3. Arkansas Code Annotated § 26-18-313 is amended to read as
6 follows to clarify references:

7 26-18-313. Standard of proof for exemptions, deductions, and credits.

The standard of proof for a taxpayer to establish facts to support a claim for ~~an~~ a tax exemption, tax deduction, or tax credit is clear and convincing evidence.

11

12 SECTION 4. Arkansas Code Annotated § 26-36-303(1)(A), concerning the
13 collection of delinquent taxes, is amended to add a new subdivision
14 containing language being removed from § 26-36-321(a) by this act:

15 (1)(A) "Claimant agency" means:

16 (i) State-supported colleges, universities, and
17 technical institutes;

18 (ii) The Department of Human Services;

19 (iii) The Arkansas Student Loan Authority;

20 (iv) The Student Loan Guarantee Foundation of

21 Arkansas;

22 (v) The Auditor of State;

23 (vi) The Department of Higher Education;

24 (vii) The Office of Child Support Enforcement of the
25 Revenue Division of the Department of Finance and Administration;

(viii) Arkansas circuit, county, district, or city courts;

28 (ix) Housing authorities created under § 14-169-101
29 et seq.;

30 (x) The Employee Benefits Division of the Depa
31 of Finance and Administration;
32 (xi) The Office of Personnel Management of the
33 Division of Management Services of the Department of Finance and
34 Administration; and

35 (xii) County collectors and county treasurers; and
36 (xiii) The Internal Revenue Service.

1
2 SECTION 5. Former language in § 26-36-321(a) is repealed because its
3 provisions are being added to § 26-36-303(1)(A) by this act:

4 26-36-321. Setoff for debt to Internal Revenue Service.

5 (a) ~~As used in this subchapter, "claimant agency" also means the~~
6 ~~Internal Revenue Service.~~

7 ~~(b)~~ The Director of the Department of Finance and Administration may
8 enter into an agreement with the Internal Revenue Service to setoff state
9 income tax refunds to satisfy a past-due and legally enforceable debt to the
10 Internal Revenue Service.

11 ~~(c)~~ This subchapter shall apply to the setoff authorized by this
12 section, except to the extent that any provision conflicts with this section.

13 ~~(d)~~ In addition to the applicable requirements and procedures under
14 this subchapter, a setoff is not allowed for debts to the Internal Revenue
15 Service unless the Internal Revenue Service complies with all notice and
16 procedural requirements under federal law concerning the levy of a state tax
17 refund.

18 (d) The setoff and payment to the Internal Revenue Service of an
19 income tax refund due to a taxpayer in this section shall be made from a
20 refund amount due to the taxpayer after the setoff of the taxpayer's refund
21 to claimant agencies other than the Internal Revenue Service.

22
23 SECTION 6. Arkansas Code Annotated § 26-52-317(b)(2), concerning the
24 gross receipts tax, is amended to read as follows to clarify its application:

25 (2) "Prepared food" means the same as defined in § 26-52-103
26 except that "prepared food" does not include:

27 (A) Food ~~feed~~ that is only cut, repackaged, or pasteurized
28 by the seller; or

29 (B) Eggs ~~eggs~~, fish, meat, ~~and~~ poultry, and foods
30 containing these raw animal foods requiring cooking by the consumer to
31 prevent food-borne illnesses as recommended by the Food and Drug
32 Administration in its 2005 Food Code, § 3-401.11, as it existed on January 1,
33 2007.

34
35 SECTION 7. Arkansas Code Annotated § 26-52-319(a), concerning the
36 gross receipts tax, is amended to read as follows to remove obsolete

1 language:

2 (a)(1) ~~Beginning July 1, 2007, in~~ In lieu of the gross receipts or
3 gross proceeds tax levied in §§ 26-52-301 and 26-52-302(a)-(d), there is
4 levied an excise tax on the gross receipts or gross proceeds derived from the
5 sale of natural gas and electricity to a manufacturer for use directly in the
6 actual manufacturing process at the rate of ~~four and three eighths percent~~
7 ~~(4.375%)~~ three and one-eighth percent (3 1/8%).

8 (2) ~~Beginning July 1, 2008, the tax rate levied in subdivision~~
9 ~~(a)(1) of this section shall be imposed at the rate of three and seven-~~
10 ~~eighths percent (3.875%).~~

11 (3)(A) ~~Beginning July 1, 2009, the tax rate levied in~~
12 ~~subdivision (a)(1) of this section shall be imposed at the rate of three and~~
13 ~~one eighth percent (3.125%).~~

14 (B)(i)(2)(A) The Director of the Department of Finance and
15 Administration shall monitor the amount of tax savings received by all
16 taxpayers as a result of the reduction in the tax rate from that levied in §§
17 26-52-301 and 26-52-302 to that levied in subdivision ~~(a)(3)(A)(a)(1)~~ of this
18 section.

19 (ii)(B) When the director determines that the amount of
20 tax savings resulting from the determination described in subdivision
21 ~~(a)(3)(B)(i)(a)(2)(A)~~ of this section plus any use tax savings described in §
22 ~~26-53-148(a)(3)(B)~~ 26-53-148(a)(2) would reach twenty-seven million dollars
23 (\$27,000,000) during a fiscal year, the director shall not process any
24 further refund claims through a refund process during the fiscal year for
25 taxpayers seeking to claim the reduced tax rate provided by this section.
26 The amount of twenty-seven million dollars (\$27,000,000) is intended to cover
27 the accumulated but unclaimed reduction of sales and use tax on natural gas
28 and electricity as provided by ~~Acts 2007, No. 185, as well as the additional~~
29 ~~reduction provided by Acts 2009, No. 695~~ this section and § 26-53-148.

30 (iii)(C) If the director determines that discontinuing
31 refund payments as provided in subdivision ~~(a)(3)(B)(ii)(a)(2)(B)~~ of this
32 section is insufficient to prevent the amount of tax savings from exceeding
33 twenty-seven million dollars (\$27,000,000) during a fiscal year, the director
34 may decline to accept any amended return filed by a taxpayer to claim an
35 overpayment resulting from the reduced tax rate provided by this section for
36 a period other than the period for which a tax return is currently due.

1 (C)(i)(3)(A) Refund requests and amended returns filed
2 with the director to claim the overpayment resulting from the reduced rate in
3 subdivision ~~(a)(3)(A)(a)(1)~~ of this section shall be processed in the order
4 they are received by the director. A taxpayer that does not receive a refund
5 after the refund and amended return process has ceased under subdivision
6 ~~(a)(3)(B)(a)(2)~~ of this section shall be given priority to receive a refund
7 during the subsequent fiscal year. The unpaid refunds from the prior fiscal
8 year shall be processed before any refund claims filed in the current fiscal
9 year to claim the benefit of this section.

10 (iii)(B) The statute of limitations for refunds and amended
11 returns under § 26-18-306(i)(1)(A) is extended for one (1) year to allow the
12 payment of a refund under the process provided in subdivision
13 ~~(a)(3)(C)(i)(3)(A)~~ of this section.

14 (4) The taxes levied in this subsection (a) shall be distributed
15 as follows:

16 (A) Seventy-six and six-tenths percent (76.6%) of the tax,
17 interest, penalties, and costs received by the director shall be deposited as
18 general revenues;

19 (B) Eight and five-tenths percent (8.5%) of the tax,
20 interest, penalties, and costs received by the director shall be deposited
21 into the Property Tax Relief Trust Fund; and

22 (C) Fourteen and nine-tenths percent (14.9%) of the tax,
23 interest, penalties, and costs received by the director shall be deposited
24 into the Educational Adequacy Fund.

25 (5)(A) The excise tax levied in this section applies only to
26 natural gas and electricity sold for use directly in the actual manufacturing
27 process.

28 (B) Natural gas and electricity sold for any other purpose
29 shall be subject to the full gross receipts or gross proceeds tax levied
30 under §§ 26-52-301 and 26-52-302(a)-(d).

31 (6) The excise tax levied in this section shall be collected,
32 reported, and paid in the same manner and at the same time as is prescribed
33 by law for the collection, reporting, and payment of all other Arkansas gross
34 receipts taxes.

35

36 SECTION 8. Arkansas Code Annotated § 26-52-401(22)(B)(iii), concerning

1 gross receipts tax exemptions, is amended to read as follows to remove
2 obsolete language and to make stylistic changes:

3 (iii) This subdivision (22) does not apply to
4 transactions involving used automobiles under § 26-52-510(b), ~~used mobile~~
5 ~~homes, used manufactured homes, or used modular homes under § 26-52-801 et~~
6 ~~seq.~~, or used ~~aircraft~~ aircrafts under § 26-52-505;

7

8 SECTION 9. Arkansas Code Annotated § 26-52-433(b), concerning gross
9 receipts tax exemptions, is amended to read as follows:

10 (b) As used in this section:

11 (1) "Disposable medical supplies" includes without limitation
12 the following:

13 (A) Ostomy, urostomy, and colostomy supplies;
14 (B) Enemas, suppositories, and laxatives used in routine
15 bowel care; and
16 (C) Disposable undergarments and linen savers;

17 (2)(A) "Durable medical equipment" means equipment, including
18 repair and replacement parts for the equipment, that:

19 (i) Can withstand repeated use;
20 (ii) Is primarily and customarily used to serve a
21 medical purpose;

22 (iii) Generally is not useful to a person in the
23 absence of illness or injury;

24 (iv) Is not worn in or on the body; and
25 (v) Is for home use.

26 (B) ~~"Repair and replacement parts" includes all components~~
27 ~~or attachments used in conjunction with the durable medical equipment;~~

28 (C) "Durable medical equipment" does not include ~~mobility-~~
29 ~~enhancing~~ mobility enhancing equipment;

30 (3)(A) "~~Mobility enhancing~~ Mobility enhancing equipment" means
31 equipment, including repair and replacement parts for the equipment, that:

32 (i) Is primarily and customarily used to provide or
33 increase the ability to move from one (1) place to another and ~~which~~ that is
34 appropriate for use either in a home or a motor vehicle;

35 (ii) Is not generally used by a person with normal
36 mobility; and

4 (B) "Mobility enhancing equipment"
5 does not include durable medical equipment;

(4) "Physician" means a person licensed under § 17-95-401 et seq.;

8 (5) "Prescription" means an order, formula, or recipe issued in
9 any form and transmitted by an oral, written, electronic, or other means of
10 transmission by a duly licensed physician or practitioner authorized to issue
11 prescriptions under Arkansas law; **and**

(6)(A) "Prosthetic device" means a replacement, corrective, or supportive device, including repair and replacement parts for the device, worn on or in the body to:

(ii) Prevent or correct physical deformity or
malfunction; or

(iii) Support a weak or deformed portion of the body.

(B) "Prosthetic device" does not include corrective eyeglasses, contact lenses, and dental prostheses; and

(7) "Repair and replacement parts" includes all components or attachments used in conjunction with durable medical equipment.

26 SECTION 10. Arkansas Code Annotated § 26-52-510(a)(4)(B), concerning
27 the returns and remittance of gross receipts tax, is amended to read as
28 follows to clarify its application:

(B) Before The consumer shall pay to the director the penalty under subdivision (a)(4)(A) of this section and the taxes due before the director issues a license for the motor vehicle, trailer, or semitrailer, the consumer shall pay to the director the penalty under subdivision (a)(4)(A) of this section and the taxes due.

35 SECTION 11. Arkansas Code Annotated § 26-53-126(a)(4)(B), concerning
36 compensating or uses taxes, is amended to read as follows to clarify its

1 application:

2 (B) ~~The person making application to register the~~
3 ~~motor vehicle, trailer, or semitrailer shall pay to the director the penalty~~
4 ~~under subdivision (a)(4)(A) of this section and the taxes due before the~~
5 ~~director issues a license for the motor vehicle, trailer, or semitrailer, the~~
6 ~~person making application to register the motor vehicle, trailer, or~~
7 ~~semitrailer shall pay to the director the penalty under subdivision (a)(4)(A)~~
8 ~~of this section and the taxes due.~~

9

10 SECTION 12. Arkansas Code Annotated § 26-53-131(c)(1), concerning
11 compensating or uses taxes, is amended to read as follows to clarify its
12 application:

13 (c)(1) ~~No credit shall be A credit is not allowed for sales or use~~
14 ~~taxes paid to another state with respect to the purchase of motor vehicles,~~
15 ~~trailers, or semitrailers which are a motor vehicle, trailer, or semitrailer~~
16 ~~that was first registered by the purchaser in Arkansas.~~

17

18 SECTION 13. Arkansas Code Annotated § 26-53-141(b), concerning
19 compensating or use taxes, are amended to read as follows to clarify a
20 definition:

21 (b) As used in this section:

22 (1) “Disposable medical supplies” includes without limitation
23 the following:

24 (A) Ostomy, urostomy, and colostomy supplies;
25 (B) Enemas, suppositories, and laxatives used in routine
26 bowel care; and

27 (C) Disposable undergarments and linen savers;

28 (2)(A) “Durable medical equipment” means equipment, including
29 repair and replacement parts for the equipment, that:

30 (i) Can withstand repeated use;
31 (ii) Is primarily and customarily used to serve a
32 medical purpose;

33 (iii) Generally is not useful to a person in the
34 absence of illness or injury;

35 (iv) Is not worn in or on the body; and
36 (v) Is for home use.

1 (B) "Repair and replacement parts" includes all components
2 ~~or attachments used in conjunction with the durable medical equipment.~~

3 (C) "Durable medical equipment" does not include ~~mobility~~
4 ~~enhancing mobility enhancing equipment;~~

5 (3)(A) "~~Mobility enhancing~~ "Mobility enhancing equipment" means
6 equipment, including repair and replacement parts for the equipment, that:

7 (i) Is primarily and customarily used to provide or
8 increase the ability to move from one (1) place to another and ~~which that~~ is
9 appropriate for use either in a home or a motor vehicle;

10 (ii) Is not generally used by a person with normal
11 mobility; and

12 (iii) Does not include any motor vehicle or
13 equipment on a motor vehicle normally provided by a motor vehicle
14 manufacturer.

15 (B) "~~Mobility enhancing~~ "Mobility enhancing equipment"
16 does not include durable medical equipment;

17 (4) "Physician" means a person licensed under § 17-95-401 et
18 seq.;

19 (5) "Prescription" means an order, formula, or recipe issued in
20 any form and transmitted by an oral, written, electronic, or other means of
21 transmission by a duly licensed physician or practitioner authorized to issue
22 prescriptions under Arkansas law; ~~and~~

23 (6)(A) "Prosthetic device" means a replacement, corrective, or
24 supportive device, including repair and replacement parts for the device,
25 worn on or in the body to:

26 (i) Artificially replace a missing portion of the
27 body;

28 (ii) Prevent or correct physical deformity or
29 malfunction; or

30 (iii) Support a weak or deformed portion of the
31 body.

32 (B) "Prosthetic device" does not include corrective
33 eyeglasses, contact lenses, and dental prostheses; ~~and~~

34 (7) "Repair and replacement parts" includes all components or
35 attachments used in conjunction with the durable medical equipment.

1 SECTION 14. Arkansas Code Annotated § 26-53-145(b)(2), concerning
2 compensating or use taxes, is amended to read as follows to clarify its
3 application:

4 (2) "Prepared food" means the same as defined in § 26-53-103
5 except that "prepared food" does not include:

6 (A) Food ~~food~~ that is only cut, repackaged, or pasteurized
7 by the seller; or

8 (B) Eggs, eggs, fish, meat, and poultry, and foods
9 containing these raw animal foods requiring cooking by the consumer to
10 prevent food-borne illnesses as recommended by the Food and Drug
11 Administration in its 2005 Food Code, § 3-401.11, as it existed on January 1,
12 2007.

13

14 SECTION 15. Arkansas Code Annotated § 26-53-148(a), concerning
15 compensating or use taxes, is amended to read as follows to remove obsolete
16 language:

17 (a)(1) ~~Beginning July 1, 2007, in~~ In lieu of the tax levied in §§ 26-
18 53-106 and 26-53-107(a)-(d), there is levied an excise tax on the sales price
19 of natural gas and electricity purchased by a manufacturer for use directly
20 in the actual manufacturing process at the rate of ~~four and three eighths~~
21 ~~percent (4.375%)~~ three and one-eighth percent (3 1/8%).

22 (2) ~~Beginning July 1, 2008, the tax rate levied in subdivision~~
23 ~~(a)(1) of this section shall be imposed at the rate of three and seven-~~
24 ~~eighths percent (3.875%).~~

25 (3)(A) ~~Beginning July 1, 2009, the tax rate levied in~~
26 ~~subdivision (a)(1) of this section shall be imposed at the rate of three and~~
27 ~~one eighth percent (3.125%).~~

28 (B)(i)(2)(A) The Director of the Department of Finance and
29 Administration shall monitor the amount of tax savings received by all
30 taxpayers as a result of the reduction in the tax rate from that levied in §§
31 26-53-106 and 26-53-107 to that levied in subdivision ~~(a)(3)(A)(a)(1)~~ of this
32 section.

33 (ii)(B) When the director determines that the amount of
34 tax savings resulting from the determination described in subdivision
35 ~~(a)(3)(B)(i)(a)(2)(A)~~ of this section plus any gross receipts tax savings
36 described in § 26-52-319(a)(3)(B) § 26-52-319(a)(2) would reach twenty-seven

1 million dollars (\$27,000,000) during a fiscal year, the director shall not
2 process any further refund claims through a refund process during the fiscal
3 year for taxpayers seeking to claim the reduced tax rate provided by this
4 section. The amount of twenty-seven million dollars (\$27,000,000) is
5 intended to cover the accumulated but unclaimed reduction of sales and use
6 tax on natural gas and electricity as provided by ~~Acts 2007, No. 185, as well~~
~~as the additional reduction provided by Acts 2009, No. 695 this section and §~~
26-52-319.

9 (iii)(C) If the director determines that discontinuing
10 refund payments as provided in subdivision ~~(a)(3)(B)(ii)(a)(2)(B)~~ of this
11 section is insufficient to prevent the amount of tax savings from exceeding
12 twenty-seven million dollars (\$27,000,000) during a fiscal year, the director
13 may decline to accept any amended return filed by a taxpayer to claim an
14 overpayment resulting from the reduced tax rate provided by this section for
15 a period other than the period for which a tax return is currently due.

16 (G)(i)(3)(A) Refund requests and amended returns filed with the
17 director to claim the overpayment resulting from the reduced rate in
18 subdivision ~~(a)(3)(A)(a)(1)~~ of this section shall be processed in the order
19 they are received by the director. A taxpayer that does not receive a refund
20 after the refund and amended return process has ceased under subdivision
21 ~~(a)(3)(B)(a)(2)~~ of this section shall be given priority to receive a refund
22 during the subsequent fiscal year. The unpaid refunds from the prior fiscal
23 year shall be processed before any refund claims filed in the current fiscal
24 year to claim the benefit of this section.

25 (ii)(B) The statute of limitations for refunds and amended
26 returns under § 26-18-306(i)(1)(A) is extended for one (1) year to allow the
27 payment of a refund under the process provided in subdivision
28 ~~(a)(3)(C)(i)(a)(3)(A)~~ of this section.

29

30 SECTION 16. Arkansas Code Annotated § 26-56-221(a) is amended to read
31 as follows to clarify its application:

32 (a) Taxes from ~~the~~ one cent (1¢) ~~of the~~ additional tax levied on
33 distillate special fuel in § 26-56-201(a)(1)(A) resulting from Acts 1979, No.
34 437, § 2, shall be remitted to the Treasurer of State separate from other
35 distillate special fuel taxes.

36

1 SECTION 17. Arkansas Code Annotated § 26-57-236, as amended by Acts
2 1997, No. 434, is repealed because it is obsolete.

4 ~~26-57-236. Stamp deputies. [As amended by Acts 1997, No. 434.]~~

5 ~~(a) The Director of the Department of Finance and Administration shall~~
6 ~~furnish stamps to licensed wholesalers directly or through stamp deputies.~~

7 ~~(b) The director may appoint and commission stamp deputies, who shall~~
8 ~~be the owners or officers of wholesalers, to handle the stamps and collect~~
9 ~~the tax on cigarettes before sales of cigarettes are made to the retailers.~~

10 ~~(c) Stamp deputies within the scope of their authority are agents of~~
11 ~~the director and shall be accountable as such for any wrongful acts.~~

12 ~~(d) Each stamp deputy shall furnish a bond in an amount and in the~~
13 ~~form as prescribed by the director.~~

14 ~~(e) A stamp deputy's open account shall not exceed seventy five~~
15 ~~percent (75%) of the total amount of the bond provided by the stamp deputy.~~

16 ~~(f) Stamp deputies shall keep records of all stamp sales and tax~~
17 ~~collections and shall make the reports prescribed by the director.~~

18 ~~(g)(1) A commission shall be paid by the director to stamp deputies~~
19 ~~for the sales and collection of cigarette tax stamps and for affixing the tax~~
20 ~~stamps to each package of cigarettes.~~

21 ~~(2) The commission shall not be less than three percent (3%) of~~
22 ~~the total aggregate cigarette tax collected.~~

23 ~~(h)(1) All deposits held by any bank for a stamp deputy which~~
24 ~~represent the sales of stamps are trust funds and shall be held as a special~~
25 ~~deposit.~~

26 ~~(2) In the event of the failure or insolvency of the bank, the~~
27 ~~deposits shall be classed and considered as preferred claims due the State of~~
28 ~~Arkansas.~~

30 SECTION 18. Arkansas Code Annotated § 26-57-247(j)(5)(A)(iii),
31 concerning state privilege taxes, is amended to read as follows to correct a
32 reference:

33 ~~(iii) The prosecuting attorney has failed to comply~~
34 ~~with the notification requirement set forth in subdivision (j)(4) (m)(2) of~~
35 ~~this section.~~

1 SECTION 19. Arkansas Code Annotated § 26-57-257(q)(1)(A),
2 concerning state privilege taxes, is amended to read as follows to correct a
3 reference:

4 (q)(1)(A) The power and duty to collect taxes imposed on tobacco and
5 tobacco products is specifically exempted from the powers and duties granted
6 or assigned to the board or the ~~department~~ director.

7
8 SECTION 20. Arkansas Code Annotated § 26-57-262(c)(4), concerning
9 state privilege taxes, is amended to read as follows to correct a reference:

10 (4) The Department of Finance and Administration or the Director
11 of Arkansas Tobacco Control may seize and destroy or sell to the manufacturer
12 only for export packages that do not comply with this section.

13
14 SECTION 21. Arkansas Code Annotated § 26-57-804(e), concerning state
15 privilege taxes, is amended to read as follows to correct a reference:

16 (e) The Director of the Department of Finance and Administration shall
17 pay the commission authorized by § 26-57-236~~(g)~~ with respect to the tax
18 levied by this section.

19
20 SECTION 22. Arkansas Code Annotated § 26-58-301, concerning severance
21 taxes, is amended to read as follows to correct references and make stylistic
22 changes:

23 26-58-301. Levy for benefit of ~~Oil Museum~~ Arkansas Museum of Natural
24 Resources Fund.

25 (a)(1) In addition to the severance tax on oil produced in the State
26 of Arkansas and levied in ~~§ 26-58-111(5) and (6)~~, § 26-58-111(6), there is
27 levied an additional tax of five (5) mills per barrel of oil produced in this
28 state.

29 (2) All taxes, interest, and penalties collected by the Revenue
30 Division of the Department of Finance and Administration under ~~the provisions~~
31 ~~of~~ this subsection shall be deposited into the State Treasury as special
32 revenues, and the Treasurer of State after deducting ~~therefrom~~ from these
33 special revenues the three percent (3%) provided by law for credit to the
34 Constitutional ~~Officer's~~ Officers Fund and the State Central Services Fund
35 shall credit the net amount to the ~~Oil Museum~~ Arkansas Museum of Natural
36 Resources Fund to be used for the construction, maintenance, operation, and

1 improvement of the Arkansas Museum of Natural Resources.

2 (b)(1) There is levied upon all brine produced in the state for the
3 purpose of bromine extraction a tax of twenty cents (20¢) per one thousand
4 (1,000) barrels.

5 (2) The taxes levied in this subsection shall be reported and
6 remitted monthly to the Director of the Department of Finance and
7 Administration on such forms and in such manner as the director shall
8 prescribe by regulations.

9 (3) All revenues collected by the director ~~pursuant to~~ under the
10 tax levied in this ~~section~~ subsection shall be deposited into the State
11 Treasury as special revenues, and the Treasurer of State after deducting
12 ~~therefrom~~ from these special revenues the three percent (3%) provided by law
13 for credit to the Constitutional Officer's Officers Fund and the State
14 Central Services Fund shall credit the net amount to the ~~Oil Museum Arkansas~~
15 Museum of Natural Resources Fund to be used for the construction,
16 maintenance, operation, and improvement of the Arkansas Museum of Natural
17 Resources.

18
19 SECTION 23. DO NOT CODIFY. The enactment and adoption of this act
20 shall not repeal, expressly or impliedly, the acts passed at the regular
21 session of the Eighty-Eighth General Assembly. All such acts shall have the
22 full force and effect and, so far as those acts intentionally vary from or
23 conflict with any provision contained in this act, those acts shall have the
24 effect of subsequent acts and as amending or repealing the appropriate parts
25 of the Arkansas Code of 1987.

26
27 /s/Madison
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30 APPROVED: 04/01/2011
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