

Hall of the House of Representatives

84th General Assembly - Regular Session, 2003

Amendment Form

Subtitle of House Bill No. 2646

"AN ACT TO AMEND VARIOUS SECTIONS OF THE ARKANSAS CODE TO PROVIDE THAT CERTAIN COUNTY TAXES ON AVIATION FUEL BE REMITTED TO A REGIONAL AIRPORT LOCATED IN THE TAXING COUNTY."

Amendment No. 2 to House Bill No. 2646.

Amend House Bill No. 2646 as engrossed, H3/14/03:

Delete the Title and substitute the following:

"AN ACT TO AMEND VARIOUS SECTIONS OF THE ARKANSAS CODE TO PROVIDE THAT CERTAIN COUNTY TAXES ON AVIATION FUEL BE REMITTED TO A REGIONAL AIRPORT LOCATED IN THE TAXING COUNTY; TO PROVIDE THE METHOD OF CALCULATING AND COLLECTING SALES AND USE TAXES ON CERTAIN AIRCRAFT; AND FOR OTHER PURPOSES."

AND

Delete the Subtitle and substitute the following:

"AN ACT TO AMEND VARIOUS SECTIONS OF THE ARKANSAS CODE WITH RESPECT TO CERTAIN COUNTY TAXES ON AVIATION FUEL AND SALES AND USE TAXES ON CERTAIN AIRCRAFT."

AND

Insert two (2) additional sections at the end of the bill to read as follows:

"SECTION 12. (a) For purposes of this section, "annual base" means a calculation by dividing the gross receipts as defined by Arkansas Code § 26-52-103 or the sales price as defined by Arkansas Code § 26-53-102 of an aircraft that has a certified maximum take-off weight in excess of seventy thousand (70,000) pounds by ten (10).

(b)(1) The only tax imposed by the Arkansas Gross Receipts Act of 1941 and the Arkansas Compensating Tax Act of 1949, and in lieu of any other state imposed sales or use taxes, that is applicable to an aircraft which has a certified maximum take-off weight in excess of seventy thousand (70,000) pounds shall be levied and payable as prescribed by this section.

(2) The only amount of the tax levied under the Arkansas Gross Receipts Act of 1941 or the Arkansas Compensating Tax Act of 1949 and the amount of each annual tax payment shall be the then applicable rate of tax under the Arkansas Gross Receipts Act of 1941 or the Arkansas Compensating



Tax Act of 1949 that would otherwise be applicable but for this act times the annual base times a fraction, the numerator of which is the amount of time of flight operations occurring over the State of Arkansas for the prior twelve (12) months and the denominator of which is the total amount of time of flight operations for the prior twelve (12) months.

(3) The denominator and numerator of the fraction prescribed in subsection (b) of this section shall be determined by the flight records of the aircraft.

(4) Payment of the tax levied and payable under this section shall be made annually beginning on the twelfth month following the month that any tax otherwise would have been due and on the same month of each year thereafter for the next ten (10) years or such lesser period during which the aircraft is based in Arkansas.

SECTION 13. EMERGENCY CLAUSE. It is found and determined by the General Assembly that the current applicability of sales and use taxes is having a material adverse effect on both existing corporate headquarters and the state's ability to attract potential corporate headquarters and that removing the tax on large corporate aircraft to be purchased and based in Arkansas will provide an incentive to attract and maintain corporate headquarters in this state and will result in the economic betterment of the state; that the regional airport beneficiaries of the funds levied under the Regional Airport Act are suffering material adverse consequences under current procedures and that accelerated receipt of those funds is appropriate. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

The Amendment was read _____
By: Representative Pace
LDH/JMB - 032420031311
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Chief Clerk