

Hall of the House of Representatives
84th General Assembly - Regular Session, 2003
Amendment Form

Subtitle of House Bill No. 2867

"TO MODIFY THE BORDER CITY TAX EXEMPTION FOR MOTOR FUEL TAXES."

Amendment No. 1 to House Bill No. 2867.

Amend House Bill No. 2867 as originally introduced:

Page 1, delete SECTION 1 in its entirety and substitute the following:

“SECTION 1. Arkansas Code § 26-55-210 is amended to read as follows:
26-55-210. Border tax rate areas generally.

(a)(1) ~~The tax on motor fuel sold in cities, incorporated towns, or planned communities which border on a state line or sold within eight hundred feet (800') of the state line or sold within eight hundred feet (800') of the maximum shore line of a navigable lake, the opposite shore line of which is beyond the Arkansas state line or sold within eight hundred feet (800') of the Arkansas terminal of a bridge spanning a river where the state line is in the center of the main channel of the river, where such sales of motor fuel are made therein and delivered into the storage tanks of retail dealers or where such sales are made therein to consumers and delivered into the storage tanks of such consumers or directly into the standard fuel tank of a motor vehicle, in this state divided by a street-state line from an incorporated city or town in an adjoining state, which city or town in the adjoining state has a population greater than the Arkansas city, shall be at the same rate as the tax levied on motor fuel sold in other areas of the state; but in no event shall the rate of tax on motor fuel sold in such border areas be more than one cent (1¢) per gallon above the rate of tax levied in the adjoining state.~~

~~(2) Further, no existing city or incorporated town, the corporate limits of which did not on August 1, 1941, or planned community, the limits of which did not on May 18, 1965, extend to within two (2) miles of the state line, shall take advantage of such border rate.~~

~~(3)(2) Additionally, no tax is imposed upon or in respect to the transactions exempt from taxation under § 26-55-207.~~

~~(4) The tax on motor fuel sold from any establishment adjacent to a federal interstate highway and within one (1) mile of a state line shall be at the rate of tax levied in the adjoining state but not exceed the rate levied in this subchapter.~~

~~(b) Whenever any bridge spanning a river where the state line is in the center of the main channel of the river as defined and subject to the~~



~~provisions of subsection (a) of this section shall have been or shall be abandoned, redesigned, relocated, or otherwise changed so that areas previously within eight hundred feet (800') of the Arkansas terminal of a bridge spanning a river where the state line is in the center of the main channel of the river shall, in whole or in part, no longer be within eight hundred feet (800') of the Arkansas terminal of such bridge, then the tax on motor fuel sold within eight hundred feet (800') of the Arkansas terminal of that bridge prior to its abandonment, redesign, relocation, or other change shall continue to be fixed on the same basis as if no such abandonment, redesign, relocation, or other change of the Arkansas terminal of the bridge had been made or taken place.~~

~~(e)(b) Any distributor or dealer of motor fuel who shall sell and deliver any motor fuel within any border rate tax area, except as provided in subsection (a) of this section, shall be guilty of a misdemeanor and upon conviction shall be fined in any sum of not less than fifty dollars (\$50.00) nor more than five hundred dollars (\$500) or be imprisoned in the county jail for not to exceed thirty (30) days, or be both so fined and imprisoned.~~

~~(d) This section shall apply to abandonments, redesign, relocation, and other changes of bridges made both before and after the passage of this section.~~

SECTION 2. Arkansas Code § 26-55-211 is amended to read as follows:
26-55-211. Border tax rate applicable within corporate boundaries.

Whenever any territory included within the boundaries of any city, ~~incorporated town, or planned community~~ in this state is included within the border tax rate on motor fuel, as provided for in § 26-55-210, or by any other law of this state governing the border area tax rate on motor fuel, the same rate of tax on motor fuel that applies in the border tax area of the city, ~~incorporated town, or planned community~~ shall also apply to all sales of motor fuel within the boundaries of the city, incorporated town, or planned community. ~~Except in a city bordering a state line that is the main channel of the Mississippi, the provisions of this section shall apply only to that territory included within the limits of such city, incorporated town, or planned community on July 1, 2001, and shall not apply to territory added to or annexed to the city, incorporated town, or planned community thereafter.~~

SECTION 3. Arkansas Code § 26-25-104 is repealed.
26-25-104. State levy in cities one mile from state line.

The rate of all taxes levied by the State of Arkansas, not including county, city, and other local tax levies, in cities and incorporated towns whose corporate limits on March 11, 1957, extend to within one (1) mile of the corporate limits of an Arkansas city which adjoins a city in another state and is separated therefrom only by a state line, shall be at the rate at which the tax is levied and collected in the Arkansas city which adjoins a city in another state and is separated therefrom only by a state line."

The Amendment was read _____
By: Representative Walters
LDH/MHF - 031320031247
MHF385

Chief Clerk