

ARKANSAS SENATE
84th General Assembly - Regular Session, 2003
Amendment Form

Subtitle of Senate Bill No. 878

"TO INCREASE THE SALES AND USE TAX ON GROSS RECEIPTS DERIVED FROM THE
SHORT TERM RENTAL OF VIDEO GAMES AND VIDEO GAMING EQUIPMENT, VHS
VIDEO CASSETTES, DIGITAL VIDEO DISCS, OR OTHER VIDEOS."

Amendment No. 1 to Senate Bill No. 878.

Amend Senate Bill No. 878 as originally introduced:

Page 1, delete lines 9 through 15 and substitute the following:

"AN ACT TO LEVY AN ADDITIONAL GROSS RECEIPTS TAX AND COMPENSATING USE TAX ON THE GROSS RECEIPTS DERIVED FROM SHORT TERM RENTAL OF VIDEO GAMES AND GAMING EQUIPMENT, PRERECORDED VHS VIDEO CASSETTES, PRERECORDED DIGITAL VIDEO DISCS OR OTHER PRERECORDED VIDEO MEDIUM; TO PROVIDE THAT THE NET REVENUES DERIVED FROM THE TAX LEVIED HEREIN SHALL BE USED EXCLUSIVELY FOR MEDICAID MATCH FOR PERSONAL CARE AND ELDERCHOICES SERVICES FOR HOMEMAKER, RESPITE, AND CHORE SERVICES; AND FOR OTHER PURPOSES."

AND

Page 1, delete lines 18 through 22 and substitute the following:

"TO LEVY AN ADDITIONAL TAX ON SHORT TERM RENTAL OF VIDEO GAMES AND GAMING EQUIPMENT, PRERECORDED VHS VIDEO CASSETTES, PRERECORDED DIGITAL VIDEO DISCS OR OTHER PRERECORDED VIDEO MEDIUM; TO PROVIDE THAT THE TAX REVENUES SHALL BE USED FOR MEDICAID MATCH OF PERSONAL CARE AND ELDERCHOICES SERVICES."

AND

Page 1, delete lines 27 through 32 and substitute the following:

"SECTION 1. In addition to the gross receipts tax and the compensating use tax now levied, there is hereby levied a gross receipts tax and a compensating use tax of four percent (4%) upon the gross receipts derived from the short term rental of video games and gaming equipment, prerecorded VHS video cassettes, prerecorded digital video discs, or other prerecorded video medium.

SECTION 2. The additional tax levied by this act shall be computed, collected, and remitted in the same manner and at the same time as is provided by law for other gross receipts taxes and compensating use taxes.



SECTION 3. The net revenues derived from the additional taxes levied in this act shall be used exclusively for Medicaid matching funds for Personal Care and ElderChoices services for homemaker, respite care, and chore services.

SECTION 4. The taxes levied in this act shall be in effect on and after the first day of the second calendar month after the calendar month in which this act becomes effective.

SECTION 5. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the state is experiencing budgetary hardships due to a decline in revenues of the state; that unless new revenues are provided for Medicaid matching funds for Personal Care and ElderChoices services for homemaker, respite care, and chore services, federal Medicaid matching funds may be lost, and that this act is immediately necessary to ensure that such matching funds will not be lost and those services curtailed. 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 the first time, rules suspended and read the second time and _____
By: Senator J. Bookout
KLT/JMB - 031320030951
JMB392 _____ Secretary