

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1676

Bill Subtitle: TO ALLOW MUNICIPALITIES TO REQUIRE A SUPERMAJORITY VOTE FOR CERTAIN TAX MEASURES.

Basic Change :

Sponsor: Representative Sturch

HB1676 would amend Arkansas law and create a new code section, § 26-73-206, regarding general provisions for the levy of taxes by municipal corporations. The bill would add a provision to authorize the governing body of the municipality to submit to the electors of the municipality the question of requiring that any new taxes proposed or any vote to increase or extend an existing tax would have to be approved by at least two-thirds (2/3) of the qualified electors voting in an election. The measure referred to the electors of the municipality to approve the two-thirds (2/3) voting requirement for future tax elections would also have to be adopted by two-thirds (2/3) of the qualified electors voting on the measure.

Revenue Impact :

None.

Taxpayer Impact :

None.

Resources Required :

None.

Time Required :

None.

Procedural Changes :

None.

Other Comments :

None.

Legal Analysis :

Under current law, a municipal tax may be levied, increased or extended by a majority of the votes cast on the tax measure. The bill adds a new section to the Arkansas Code on local taxes levied by municipal corporations that could require any new municipal tax levy, increase or extension to be approved by a two-thirds (2/3) supermajority of the votes cast on the tax measure. This supermajority provision is optional and must be approved by the voters of each municipality.