

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Senator Snyder**

A Bill

SENATE BILL

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 26-55-230 TO REDUCE THE
9 SHRINKAGE ALLOWANCE UNDER THE MOTOR FUEL TAX LAW; AND FOR
10 OTHER PURPOSES."

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

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14 SECTION 1. Arkansas Code 26-55-230(a) is hereby amended to read as
15 follows:

16 "(a) At the time of filing of each monthly report with the Director of
17 the Department of Finance and Administration, each distributor shall pay to
18 the director the full amount of the motor fuel tax for the next preceding
19 calendar month, which shall be computed as follows:

20 (1) From the sum of the total number of gallons of motor fuel received,
21 reduced by the total number of gallons received upon which the tax has been
22 paid as evidenced by the itemized statement filed pursuant to 26-55-229(c)(8)
23 by the distributor within the State of Arkansas during the next preceding
24 calendar month, plus the total number of gallons of motor fuel deducted on any
25 previous monthly report of the distributor under the provisions of
26 subdivisions (a)(1)(C) and (D) of this section with respect to which the tax
27 payable under this subchapter remains unpaid, shall be made the following
28 deductions:

29 (A) The total number of gallons of motor fuel received by the
30 distributor within the State of Arkansas and sold or otherwise disposed of
31 during the next preceding calendar month as set forth in 26-55-207;

32 (B) The total number of gallons of motor fuel received by the
33 distributor within the State of Arkansas and sold or otherwise disposed of
34 during the next preceding calendar month as set forth in 26-55-210;

35 (C) The total number of gallons of motor fuel which, during any

1 previous calendar month, was received, within the meaning of 26-55-202(9) (A)
2 or (B), by being placed in a tank but had not been withdrawn therefrom at the
3 close of the next preceding calendar month;

4 (D) The total number of gallons of motor fuel received during any
5 previous calendar month, within the meaning of 26-55-202(9) (A), by being
6 placed in a tank, which was thereafter delivered by the person receiving it to
7 a common carrier pipeline for shipment or delivery to a point in Arkansas, but
8 had not been, at the close of the next preceding calendar month, delivered by
9 the pipeline at its destination, even though because of being mingled in the
10 common carrier pipeline system with other motor fuel, the motor fuel to be
11 delivered to the point of destination is not the identical motor fuel
12 delivered by the shipper to the common carrier pipeline;

13 (E) That number of gallons of motor fuel lost due to fire, flood,
14 storm, theft, or other cause beyond his control, other than through
15 evaporation. The deduction for the loss may be included in the report filed
16 for the month in which the loss occurred or in any subsequent report filed
17 within a period of one (1) year;

18 (F) That number of gallons of motor fuel which shall be equal to one-
19 half percent (1/2%) of the first one million (1,000,000) gallons, and no
20 allowance for the remaining gallons of the total number of gallons of motor
21 fuel received by the distributor during the next preceding calendar month,
22 less the total number of gallons deducted under subdivisions (a) (1) (A) - (E) of
23 this section. It is
24 determined by the General Assembly that one-half percent (1/2%) of the first
25 one million (1,000,000) gallons and no allowance for the remaining gallons so
26 received is the actual and average amount of loss resulting from evaporation,
27 shrinkage, and the losses resulting from unknown causes irrespective of the
28 amount thereof, and the cost of collection;

29 (2) The number of gallons remaining after the deductions hereinabove
30 set forth have been made shall be multiplied by the rate of tax provided in
31 26-55-205;

32 (3) The remaining number of gallons computed on a volumetric basis
33 shall be multiplied by the rate provided by law in the adjoining state, such
34 rate not to exceed the rate provided by 26-55-205; and the resulting figure,
35 together with the figure obtained in subdivision (a) (2) of this section, shall

1 be the total amount of motor fuel tax due for the next preceding calendar
2 month."

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4 SECTION 2. All provisions of this Act of a general and permanent nature
5 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
6 Revision Commission shall incorporate the same in the Code.

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8 SECTION 3. If any provision of this Act or the application thereof to
9 any person or circumstance is held invalid, such invalidity shall not affect
10 other provisions or applications of the Act which can be given effect without
11 the invalid provision or application, and to this end the provisions of this
12 Act are declared to be severable.

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14 SECTION 4. All laws and parts of laws in conflict with this Act are
15 hereby repealed.

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