

*As Engrossed: 2/27/91, 3/4/91*

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Regular Session, 1991**

# A Bill

**SENATE BILL 558**

4 **By: ] Senators Miles, Bookout, Moore, Hopkins, Fitch,**  
5 **Bearden, Todd, Gibson, Cassady, Yates and Edwards**

## For An Act To Be Entitled

9 "AN ACT TO MODIFY AND AMEND ARKANSAS CODE ANNOTATED § 26-  
10 52-401(21), THE SALES TAX EXEMPTION FOR CHARITABLE  
11 HOSPITALS PROVISION; AND FOR OTHER PURPOSES."

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

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15 SECTION 1. Arkansas Code Annotated § 26-52-401(21) is hereby amended to  
16 read as follows:

17 "(21) Gross receipts or gross proceeds derived from the sale of any  
18 tangible personal property or services as herein specifically provided to any  
19 hospital or sanitarium operated for charitable and nonprofit purposes or any  
20 *nonprofit organization whose sole purpose is to provide temporary housing to*  
21 *the family members of patients in a hospital or sanitarium.* However, gross  
22 proceeds and gross receipts derived from the sale of materials used in the  
23 original construction or further extension of the hospital, sanitarium, or  
24 *temporary housing facilities* except state-owned tax-supported hospitals and  
25 sanitariums, shall not be exempt from this act;"

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

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31 SECTION 3. If any provision of this Act or the application thereof to  
32 any person or circumstance is held invalid, such invalidity shall not affect  
33 other provisions or applications of the Act which can be given effect without  
34 the invalid provision or application, and to this end the provisions of this  
35 Act are declared to be severable.

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 All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 5. EMERGENCY CLAUSE.

It is hereby found and determined by the Seventy-Eighth General Assembly of the State of Arkansas that a dispute has arisen between various charitable hospitals and the Revenue Division of the Arkansas Department of Finance and Administration over the every day administration of this section by these charitable hospitals in complying with what purchases the General Assembly intended to cover by the term "repair"; the General Assembly has deemed the best way of eliminating this continuing problem is to simply remove the term "repair" from this subsection of the Code, so that the only taxable purchases by a charitable hospital will be those made to originally build the charitable hospital's building or to make a further physical extension of this building. Therefore, in order to relieve the state and these charitable hospitals of this continuing dispute, an emergency is hereby declared to exist, and this Act being necessary for the immediate preservation of the public health, peace, and safety, shall be in full force and effect from and after its passage and approval.

*/s/Miles et al*