

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003
4

A Bill

HOUSE BILL 2280

5 By: Representatives Milligan, Cleveland, Ferguson, P. Bookout, Hickinbotham, Jackson
6 By: Senator J. Bookout
7
8

For An Act To Be Entitled

10 AN ACT TO AUTHORIZE A TEMPORARY ONE-FOURTH CENT
11 (1/4¢) SALES TAX WHEN THE DEPARTMENT OF ECONOMIC
12 DEVELOPMENT SIGNS AN AGREEMENT WITH A BUSINESS
13 WHEREBY THE BUSINESS AGREES TO INVEST A MINIMUM
14 OF FIVE HUNDRED MILLION DOLLARS (\$500,000,000)
15 AND CREATE A MINIMUM OF EIGHT HUNDRED (800) JOBS;
16 TO PROVIDE THAT THE SALES TAX SHALL ONLY BE
17 COLLECTED FOR ONE YEAR; AND FOR OTHER PURPOSES.
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Subtitle

20
21 TO AUTHORIZE A TEMPORARY ONE-FOURTH CENT
22 (1/4¢) SALES TAX TO SUPPORT A SUPER
23 PROJECT INVESTING A MINIMUM OF FIVE
24 HUNDRED MILLION DOLLARS (\$500,000,000)
25 AND CREATING A MINIMUM OF EIGHT HUNDRED
26 (800) JOBS.
27

28 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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SECTION 1. Creation of fund – Use.

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31 (a)(1) There is created on the books of the Auditor of State,
32 Treasurer of State, and the Chief Fiscal Officer of the State a fund to be
33 known as the Economic Development Super Project Fund.

34 (2) The fund shall be administered by the Department of Economic
35 Development and may only be used for the purpose of financing infrastructure
36 or other needs to attract a large economic development project that agrees to



1 invest at least five hundred million dollars (\$500,000,000) in this state
2 over a two-year period and to create at least eight hundred (800) jobs in
3 this state over a five-year period.

4 (3) Infrastructure needs include, but are not limited to:

5 (A) Land acquisition;

6 (B) Site preparation;

7 (C) Road and highway improvements;

8 (D) Rail spur construction;

9 (E) Water service, wastewater treatment;

10 (F) Employee training which may include equipment for the
11 training;

12 (G) Environmental mitigation; and

13 (H) Training and research facilities and the necessary
14 equipment for the facilities.

15 (b) The Treasurer of State shall consult with the Director of the
16 Department of Economic Development on any investments of the proceeds from
17 the tax levied under this act in order to ensure that adequate funds are
18 available to meet the infrastructure and other needs of the contracting
19 business.

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21 SECTION 2. Tax authorization.

22 (a) In addition to the excise tax levied on the gross proceeds or
23 gross receipts derived from taxable sales by the Arkansas Gross Receipts Act
24 § 26-52-101 et seq., there shall be levied an excise tax of one-fourth of one
25 percent (1/4 of 1%) beginning on the first day of the first month after the
26 date the Director of the Department of Finance and Administration receives a
27 certified letter signed by the Director of the Department of Economic
28 Development indicating that the requirements of section 3 have been met.

29 (b) The excise tax levied by subsection (a) of this section shall be
30 of a temporary nature and shall be levied and collected only for a period of
31 twelve (12) months.

32 (c) The proceeds from the tax shall be deposited by the Department of
33 Finance and Administration into the Economic Development Super Project Fund.
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35 SECTION 3. Imposition of tax.

36 The excise tax authorized by this act shall be levied only when the

1 Director of the Department of Economic Development certifies that he or she
2 has:

3 (1) Signed an agreement with a business that agrees to invest a
4 minimum of five hundred million dollars (\$500,000,000) in this state over a
5 two-year period and to create a minimum of eight hundred (800) jobs in this
6 state over a five-year period; and

7 (2) Consulted with the Chairpersons of the House and Senate Interim
8 Committees on Agriculture, Forestry, and Economic Development concerning the
9 proposed project.

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