

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 2733

5 By: Representative Stovall
6
7

For An Act To Be Entitled

9 AN ACT TO ALLOW COUNTIES AND MUNICIPALITIES TO
10 ADOPT INCREASES IN THE MAXIMUM LIMITATION FOR
11 SALES OR USE TAXES; AND FOR OTHER PURPOSES.
12

Subtitle

14 TO ALLOW COUNTIES AND MUNICIPALITIES TO
15 ADOPT INCREASES IN THE MAXIMUM
16 LIMITATION FOR SALES OR USE TAXES.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 26-73-301 is amended to read as follows:
22 26-73-301. Limitation on levy of sales or use tax.

23 (a) Any municipal or county sales or use tax levied pursuant to the
24 laws of this state shall be levied and collected only on the first two
25 thousand five hundred dollars (\$2,500) of gross receipts, gross proceeds, or
26 sales price from a single transaction. This provision shall apply to all
27 municipal and county sales and use taxes heretofore or hereafter adopted and
28 shall be in addition to and not in lieu of any other limitations imposed by
29 law.

30 (b) By ordinance, a county may increase the limitation on the levy of
31 county sales or use tax under this section to no more than the first five
32 thousand dollars (\$5,000) of gross receipts, gross proceeds, or sales price
33 from a single transaction.
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35 SECTION 2. Arkansas Code § 26-74-220(a)(1), regarding the maximum
36 limitation for sales or use taxes levied by a county for capital



1 improvements, is amended to read as follows:

2 (a)(1)(A) Any county general sales or use tax levied pursuant to this
3 subchapter shall be levied and collected only on the first two thousand five
4 hundred dollars (\$2,500) of gross receipts, gross proceeds, or sales price
5 from a single transaction, and vendors shall be responsible for collecting
6 and remitting the tax only on the first two thousand five hundred dollars
7 (\$2,500) of gross receipts, gross proceeds, or sales price from a single
8 transaction.

9 (B) By ordinance, a county may increase the limitation on
10 the levy of county sales or use tax under this section to no more than the
11 first five thousand dollars (\$5,000) of gross receipts, gross proceeds, or
12 sales price from a single transaction.

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14 SECTION 3. Arkansas Code § 26-74-320(a)(1), regarding the maximum
15 limitation for sales or use taxes levied by a county for capital
16 improvements, is amended to read as follows:

17 (a)(1)(A) Any county general sales or use tax levied pursuant to this
18 subchapter shall be levied and collected only on the first two thousand five
19 hundred dollars (\$2,500) of gross receipts, gross proceeds, or sales price
20 from a single transaction, and vendors shall be responsible for collecting
21 and remitting the tax only on the first two thousand five hundred dollars
22 (\$2,500) of gross receipts, gross proceeds, or sales price from a single
23 transaction.

24 (B) By ordinance, a county may increase the limitation on
25 the levy of county sales or use tax under this section to no more than the
26 first five thousand dollars (\$5,000) of gross receipts, gross proceeds, or
27 sales price from a single transaction.

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29 SECTION 4. Arkansas Code § 26-74-412(a)(1), regarding the maximum
30 limitation for sales or use taxes levied by a county without an existing
31 sales tax, is amended to read as follows:

32 (a)(1)(A) Any county general sales or use tax levied pursuant to this
33 subchapter shall be levied and collected only to a maximum tax of twenty-five
34 dollars (\$25.00) on each single transaction, and vendors shall be responsible
35 for collecting and remitting the tax only to the maximum of twenty-five
36 dollars (\$25.00) for each single transaction.

1 (B) By ordinance, a county may increase the maximum
2 limitation for sales or use tax levied under this section to no more than
3 fifty dollars (\$50.00) on each single transaction.

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5 SECTION 5. Arkansas Code § 26-74-412(c), regarding the maximum
6 limitation for sales and use taxes levied by a county without existing sales
7 tax, is amended to read as follows:

8 (c)(1) In the case of any taxpayer not subject to the levy of a use
9 tax on tangible personal property brought into the State of Arkansas for
10 storage until such property is subsequently initially used in the State of
11 Arkansas, a county use tax shall be computed on each purchase of such
12 property by the taxpayer as if all such property was subject upon purchase to
13 the county use tax up to a maximum of twenty-five dollars (\$25.00) per single
14 transaction. The taxes so computed shall be aggregated on a monthly basis,
15 and the aggregate monthly amount shall be divided by the sum of the total
16 purchases of such property on which the taxes are computed, and the quotient
17 shall be multiplied by the amount of the taxpayer's property subsequently
18 initially used and subject to levy of a use tax within the county during the
19 month for which the monthly aggregate tax figure was computed, and the
20 product shall be the amount of county use tax liability for the taxpayer for
21 the month computed.

22 (2) By ordinance, a county may increase the maximum limitation
23 for sales or use tax levied under this section to no more than fifty dollars
24 (\$50.00) on each single transaction.

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26 SECTION 6. Arkansas Code § 26-74-612(a)(1), regarding the maximum
27 limitation for sales and use taxes levied by a county for capital
28 improvements for a community college, is amended to read as follows:

29 (a)(1)(A) Any county general sales or use tax levied pursuant to this
30 subchapter shall be levied and collected only on the first two thousand five
31 hundred dollars (\$2,500) of gross receipts, gross proceeds, or sales price
32 from a single transaction, and vendors shall be responsible for collecting
33 and remitting the tax only on the first two thousand five hundred dollars
34 (\$2,500) of gross receipts, gross proceeds, or sales price from a single
35 transaction.

36 (B) By ordinance, a county may increase the limitation on

1 the levy of county sales or use tax under this section to no more than the
2 first five thousand dollars (\$5,000) of gross receipts, gross proceeds, or
3 sales price from a single transaction.

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5 SECTION 7. Arkansas Code § 26-75-222(a)(1), regarding the maximum
6 limitation for sales and use taxes levied by a municipality for capital
7 improvements, is amended to read as follows:

8 (a)(1)(A) Any municipal general sales or use tax levied pursuant to
9 this subchapter shall be levied and collected only on the first two thousand
10 five hundred dollars (\$2,500) of gross receipts, gross proceeds, or sales
11 price from each single transaction, and vendors shall be responsible for
12 collecting and remitting the tax only on the first two thousand five hundred
13 dollars (\$2,500) of gross receipts, gross proceeds, or sales price from each
14 single transaction.

15 (B) By ordinance, a city, town, or municipality may
16 increase the limitation on the levy of municipal general sales or use tax
17 under this section to no more than the first five thousand dollars (\$5,000)
18 of gross receipts, gross proceeds, or sales price from a single transaction.

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20 SECTION 8. Arkansas Code § 26-75-319(a)(1), regarding the maximum
21 limitation for sales and use taxes levied by a municipality for capital
22 improvements, is amended to read as follows:

23 (a)(1)(A) Any municipal general sales or use tax levied pursuant to
24 this subchapter shall be levied and collected only on the first two thousand
25 five hundred dollars (\$2,500) of gross receipts, gross proceeds, or sales
26 price from a single transaction, and vendors shall be responsible for
27 collecting and remitting the tax only on the first two thousand five hundred
28 dollars (\$2,500) of gross receipts, gross proceeds, or sales price from a
29 single transaction.

30 (B) By ordinance, a city, town, or municipality may
31 increase the limitation on the levy of municipal general sales or use tax
32 under this section to no more than the first five thousand dollars (\$5,000)
33 of gross receipts, gross proceeds, or sales price from a single transaction.

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