

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

A Bill

SENATE BILL 51

4
5 By: Senator Altes
6 By: Representative L. Prater

For An Act To Be Entitled

10 AN ACT TO EXEMPT FOOD FROM STATE SALES AND USE
11 TAX; TO CONTINUE THE IMPOSITION OF LOCAL SALES
12 AND USE TAX ON FOOD SALES; AND FOR OTHER
13 PURPOSES.

Subtitle

16 EXEMPTS FOOD FROM STATE SALES AND USE
17 TAX.

18
19
20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

21
22 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended
23 to add an additional section to read as follows:

24 26-52-433. Food eligible for purchase with food stamps.

25 (a) As used in this section, "food" means any product that may be
26 purchased with food stamps, as defined in The Food Stamp Act of 1977, 7
27 U.S.C. § 2012(g)(1), as it existed on January 1, 2003.

28 (b) Food shall be exempt from the Arkansas Gross Receipts Act of 1941,
29 §§ 26-52-101 et seq.

30 (c) The exemption in this section shall not apply to gross receipts
31 taxes levied by any Arkansas city, town, or county.

32 (d)(1) The exemption in this section shall apply as follows:

33 (A) Beginning July 1, 2004, the gross receipts tax on food
34 shall be reduced by fifty percent (50%); and

35 (B) Beginning July 1, 2005, the remainder of any existing
36 gross receipts tax on food shall be eliminated.



1 (2) Food shall be exempt from the excise tax of one-eighth of one
2 percent (1/8 of 1%) levied under § 2 of Amendment 75 of the Constitution of
3 the State of Arkansas beginning July 1, 2005.

4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36