

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

SENATE BILL 708

5 By: Senators Brown, Steele, Salmon  
6 By: Representatives Elliott, Chesterfield, Lewellen  
7

## For An Act To Be Entitled

10 AN ACT TO PROVIDE SUPPORT TO CITIES AND COUNTIES  
11 TO DEVELOP INRASTRUCTURE; AND FOR OTHER PURPOSES.  
12

### Subtitle

14 TO SUPPORT CITIES AND COUNTIES TO  
15 DEVELOP INFRASTRUCTURE.  
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
19

20 SECTION 1. Arkansas Code Title 26, Chapter 57, is amended to add an  
21 additional subchapter to read as follows:

22 26-57-1301. Title.

23 This subchapter shall be known and may be cited as the "Direct  
24 Broadcast Satellite Service Act".  
25

26 26-57-1302. Definitions.

27 As used in this subchapter:

28 (1) "Consumer" means a subscriber or paying customer of a direct  
29 broadcast satellite service provider who receives the direct satellite  
30 service in the State of Arkansas;

31 (2)(A) "Direct broadcast satellite service" means any  
32 television, video, or radio service provided with the use of satellite  
33 transmission directly to the consumer.

34 (B) "Direct broadcast satellite service" includes basic  
35 service, premium channels, or other special service and any charges connected  
36 with the service;



1                   (C) "Direct broadcast satellite service" does not include  
 2 cable television service;

3                   (3)(A) "Direct broadcast satellite service provider" means any  
 4 person who provides direct broadcast satellite service to consumers.

5                   (B) "Direct broadcast satellite service provider" does not  
 6 include cable television providers;

7                   (4) "Director" means the Director of the Department of Finance  
 8 and Administration or his authorized agent; and

9                   (5)(A) "Person" means an individual, trust, estate, fiduciary,  
 10 firm, partnership, limited liability company, or corporation.

11                   (B) "Person" shall include:

12                   (i) The directors, officers, agents, and employees  
 13 of any person; and

14                   (ii) The beneficiaries, members, managers, and  
 15 partners of any person.

16  
 17                   26-57-1303. Administration.

18                   This subchapter is to be administered in all respects in accordance  
 19 with the Arkansas Tax Procedure Act, § 26-18-101 et seq., unless otherwise  
 20 provided.

21  
 22                   26-57-1304. Tax rate.

23                   (a)(1)(A) There is levied and there shall be collected a tax upon  
 24 every direct broadcast satellite service provider a tax of five percent (5%)  
 25 on the sale of the direct broadcast satellite service provided to a consumer.

26                   (B) The tax applies to payments made by the consumer for  
 27 direct broadcast satellite service, penalties, interest, late payment fees,  
 28 and equipment rental.

29                   (C) The tax does not apply to equipment purchases.

30                   (2) The revenues derived from the tax shall be deposited into  
 31 the Road and Public Transit Fund.

32                   (b) The tax levied under this section shall be imposed, reported,  
 33 remitted, and administered in the same manner and at the same time as the tax  
 34 levied under the Arkansas Gross Receipts Tax of 1941, § 26-52-101 et seq.

35                   (c) The Department of Finance and Administration is authorized to  
 36 promulgate rules and regulations under this subchapter.

26-57-1305. Licenses.

(a) A direct broadcast satellite service provider that serves consumers shall obtain a license from the director for the privilege of conducting business in Arkansas.

(b) The fee for the license shall be fifteen dollars (\$15.00).

SECTION 2. Arkansas Code Title 19, Chapter 6, Subchapter 4 is amended to add an additional section to read as follows:

19-6-487. Road and Public Transit Fund.

(a) There is created on the books of the Treasurer of State, Auditor of State, and Chief Fiscal Officer of the State a special revenue fund to be known as the "Road and Public Transit Fund".

(b)(1) All moneys collected under the Direct Broadcast Satellite Service Act, § 26-57-1301 et seq., shall be deposited into the State Treasury to the credit of the fund as special revenues to be distributed as follows:

(A) Sixty percent (60%) to the cities; and

(B) Forty percent (40%) to the counties.

(2) The fund shall also consist of any other revenues as may be authorized by law.

(c) The fund shall be used by the cities and counties in the percentages designated in subsection be for the following purposes:

(1) Road construction and improvement; and

(2) Public transit development and improvement.

SECTION 3. This act shall become effective on the first day of the calendar month following the ninetieth day after the sine die adjournment of this session or the first day of the calendar month following the ninetieth day after a recess or adjournment for a period longer than ninety (90) days.