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	As Engrossed: S3/17/03			
2	84th General Assembly A B1II				
3	Regular Session, 2003 SENATE BILL			878	
4					
5	By: Senator J. Bookout				
6					
7					
8	For An Act To Be Entitled				
9	AN ACT TO LEVY AN ADDITIONAL GROSS RECEIPTS TAX				
10	AND COMPENSATING USE TAX ON THE GROSS RECEIPTS				
11	DERIVED FROM SHORT TERM RENTAL OF VIDEO GAMES AND				
12	GAMING EQUIPMENT, PRERECORDED VHS VIDEO				
13	CASSETTES, PRERECORDED DIGITAL VIDEO DISCS OR				
14	OTHER PRERECORDED VIDEO MEDIUM; TO PROVIDE THAT				
15	THE NET REVENUES DERIVED FROM THE TAX LEVIED				
16	HEREIN SHALL BE USED EXCLUSIVELY FOR MEDICAID				
17	MATCH FOR PERSONAL CARE AND ELDERCHOICES SERVICES				
18	FOR HOMEMAKER, RESPITE, AND CHORE SERVICES; AND				
19	FOR OTHER PURPOSES.				
20					
21		Subtitle			
22	TO LEVY AN ADDITIONAL TAX ON SHORT TERM				
23	RENTAL OF VIDEO GAMES AND GAMING				
24	EQUIPMENT, PRERECORDED VHS VIDEO				
25	CASSETTES, PRERECORDED DIGITAL VIDEO				
26	DIS	CS OR OTHER PRERECORDED VIDEO MEDIUM.			
27					
28					
29	BE IT ENACTED BY THE	GENERAL ASSEMBLY OF THE STATE OF ARKAN	SAS:		
30					
31	SECTION 1. In addition to the gross receipts tax and the compensating				
32	use tax now levied, there is hereby levied a gross receipts tax and a				
33	compensating use tax of four percent (4%) upon the gross receipts derived				
34	from the short term rental of video games and gaming equipment, prerecorded				
35	VHS video cassettes, prerecorded digital video discs, or other prerecorded				
36	video medium.				

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As Engrossed: S3/17/03 SB878

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2	SECTION 2. The additional tax levied by this act shall be computed,		
3	collected, and remitted in the same manner and at the same time as is		
4	provided by law for other gross receipts taxes and compensating use taxes.		
5			
6	SECTION 3. The net revenues derived from the additional taxes levied		
7	in this act shall be used exclusively for Medicaid matching funds for		
8	Personal Care and ElderChoices services for homemaker, respite care, and		
9	chore services.		
10			
11	SECTION 4. The taxes levied in this act shall be in effect on and		
12	after the first day of the second calendar month after the calendar month in		
13	which this act becomes effective.		
14			
15	SECTION 5. EMERGENCY CLAUSE. It is found and determined by the		
16	General Assembly of the State of Arkansas that the state is experiencing		
17	budgetary hardships due to a decline in revenues of the state; that unless		
18	new revenues are provided for Medicaid matching funds for Personal Care and		
19	ElderChoices services for homemaker, respite care, and chore services,		
20	federal Medicaid matching funds may be lost, and that this act is immediatel		
21	necessary to ensure that such matching funds will not be lost and those		
22	services curtailed. Therefore, an emergency is declared to exist and this		
23	act being immediately necessary for the preservation of the public peace,		
24	health, and safety shall become effective on:		
25	(1) The date of its approval by the Governor;		
26	(2) If the bill is neither approved nor vetoed by the Governor,		
27	the expiration of the period of time during which the Governor may veto the		
28	bill; or		
29	(3) If the bill is vetoed by the Governor and the veto is		
30	overridden, the date the last house overrides the veto.		
31			
32	/s/ J. Bookout		
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35			
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