

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

As Engrossed: H1/21/04
A Bill

Call Item 6

HOUSE BILL 1125

5 By: Representative Hickinbotham
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7

For An Act To Be Entitled

9 AN ACT TO REDUCE THE DISCOUNT FOR PROMPT PAYMENT
10 OF GROSS RECEIPTS TAX TO A MAXIMUM OF ONE HUNDRED
11 DOLLARS (\$100) PER MONTH; AND FOR OTHER PURPOSES.
12

Subtitle

13 TO REDUCE THE DISCOUNT FOR PROMPT
14 PAYMENT OF GROSS RECEIPTS TAX TO A
15 MAXIMUM OF ONE HUNDRED DOLLARS (\$100)
16 PER MONTH.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. Arkansas Code § 26-52-503(c), concerning the discount for
23 prompt payment of sales tax, is amended to read as follows:

24 (c)(1) ~~For tax payments made on or after February 1, 1993, the~~ The
25 discount for prompt payment of state tax shall not exceed ~~one thousand~~
26 ~~dollars (\$1,000)~~ one hundred dollars (\$100) per month for taxpayers filing
27 monthly gross receipts tax reports. Taxpayers filing a tax report on a
28 quarterly, annual, or occasional basis shall be entitled to the discount for
29 state tax, which shall not exceed ~~one thousand dollars (\$1,000)~~ one hundred
30 dollars (\$100) for each month included in the tax report.

31 (2)(A) The aggregate state tax discount available to a taxpayer
32 who operates more than one (1) permitted business location within this state
33 and who does not file a consolidated monthly gross receipts tax report for
34 all locations shall not exceed ~~one thousand dollars (\$1,000)~~ one hundred
35 dollars (\$100) per month.

36 (B) In the case of a corporate taxpayer, parent



1 corporation, that holds fifty percent (50%) or more of the outstanding shares
2 of one (1) or more corporations, subsidiaries, that are subject to the tax
3 imposed by § 26-52-101 et seq., the aggregate state tax discount available to
4 the parent corporation and all subsidiaries shall not exceed ~~one thousand~~
5 ~~dollars (\$1,000)~~ one hundred dollars (\$100) per month.

6 (C) There shall be no limitation on the discount for
7 prompt payment of city and county gross receipts taxes collected by the
8 director.

9
10 SECTION 2. Arkansas Code § 26-52-512(b), concerning tax payments by
11 retailers, is amended to read as follows:

12 (b)(1) Every taxpayer who timely remits the prepayments required by
13 subsection (a) of this section and who timely files and pays his monthly
14 gross receipts tax report shall be entitled to a discount. The discount shall
15 be the lesser of two percent (2%) of the reported monthly gross tax, or ~~one~~
16 ~~thousand dollars (\$1,000)~~ one hundred dollars (\$100).

17 (2)(A) Failure to pay tax prepayments when due shall result in
18 the assessment of a penalty equal to five percent (5%) of the amount of each
19 required tax prepayment.

20 (B) If a taxpayer elects to prepay according to subdivision
21 (a)(2) of this section and fails to pay eighty percent (80%) of the tax
22 liability by the twenty-fourth of the current month, no penalty shall be
23 assessed if the taxpayer proves that more than twenty percent (20%) of its
24 tax liability arose from sales occurring after the twenty-fourth of the
25 current month but before the last day of the current month.

26 (3)(A) The aggregate discount available to a taxpayer who
27 operates more than one (1) permitted business location within this state and
28 who does not file a consolidated monthly gross receipts tax report for all
29 locations shall not exceed ~~one thousand dollars (\$1,000)~~ one hundred dollars
30 (\$100) per month.

31 (B) In the case of a corporate taxpayer (parent
32 corporation) that holds fifty percent (50%) or more of the outstanding shares
33 of one (1) or more corporations (subsidiaries) which are subject to the tax
34 imposed by § 26-52-101 et seq., the aggregate discount available to the
35 parent corporation and all subsidiaries shall not exceed ~~one thousand dollars~~
36 ~~(\$1,000)~~ one hundred dollars (\$100) per month.

