

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

A Bill

Call Item 6

HOUSE BILL 1185

5 By: Representatives Milligan, Oglesby, Adams, J. Taylor
6 By: Senator G. Jeffress
7

For An Act To Be Entitled

10 AN ACT TO PROVIDE THAT ADVERTISING IS SUBJECT TO
11 ARKANSAS SALES TAX; AND FOR OTHER PURPOSES.
12

Subtitle

14 TO PROVIDE THAT ADVERTISING IS SUBJECT
15 TO ARKANSAS SALES TAX.
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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20 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 3 is amended
21 to add an additional section to read as follows:

22 26-52-316. Advertising.

23 (a)(1) The gross receipts or gross proceeds derived from the sale of
24 advertising by media advertisers are subject to the excise tax levied under
25 the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.

26 (2) A media advertiser becomes subject to the gross receipts tax
27 when its gross receipts from the sale of advertising equals five million
28 dollars (\$5,000,000) or more during the previous calendar year.

29 (b)(1) "Advertising" includes:

30 (A) Advertising space and time, including advertising
31 space in newspapers, magazines, advertising supplements, and other
32 publications;

33 (B) Television and radio advertising time;

34 (C) Billboard advertising space and time; and

35 (D) Other advertising space and time, including, but not
36 limited to, outdoor structures, displays, banners, broadcasts, devices,



1 vehicles, or airborne devices.

2 (2) "Media advertiser" means a newspaper, radio station, TV
3 station, billboard company, or other entity that sells advertising space and
4 time.

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6 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
7 General Assembly of the State of Arkansas that as a result of the Arkansas
8 Supreme Court decision, Lake View Sch. Dist. No. 25 v. Huckabee, 351 Ark. 31,
9 91 S.W. 3d 472 (2002), additional revenue is necessary for the improvement of
10 public schools, to provide all Arkansas children an adequate education, and
11 to equalize funding for schools and teachers; that without additional
12 revenue, the state will be unable to fulfill its constitutional duty to
13 provide an adequate and equitable education to Arkansas children; and that
14 this act is immediately necessary as it will provide needed revenue for the
15 support and improvement of public schools. Therefore, an emergency is
16 declared to exist and this act being necessary for the preservation of the
17 public peace, health, and safety shall become effective on the first day of
18 the second calendar month following:

19 (1) The date of its approval by the Governor;

20 (2) If the bill is neither approved nor vetoed by the Governor,
21 the expiration of the period of time during which the Governor may veto the
22 bill; or

23 (3) If the bill is vetoed by the Governor and the veto is
24 overridden, the date the last house overrides the veto.

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