

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

Call Item 6

A Bill

SENATE BILL 81

5 By: Senators Wooldridge, Glover, Capps, Baker, Miller
6 By: Representative Biggs
7

For An Act To Be Entitled

10 AN ACT TO PROVIDE ADDITIONAL REVENUE TO FUND THE
11 STATE EDUCATION SYSTEM; TO LEVY AN ADDITIONAL
12 FIVE-EIGHTHS OF ONE PERCENT (0.625%) SALES AND
13 USE TAX; TO CREATE THE EDUCATIONAL ADEQUACY TRUST
14 FUND; AND FOR OTHER PURPOSES.
15

Subtitle

16 PROVIDES ADDITIONAL REVENUE TO FUND THE
17 EDUCATIONAL SYSTEM BY INCREASING SALES
18 AND USE TAX.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 26-52-302, concerning levying additional
25 sales taxes, is amended to add an additional subsection to read as follows:

26 (d)(1) Beginning April 1, 2004, there is levied an additional excise
27 tax of five-eighths of one percent (0.625%) upon all taxable sales of
28 property and services subject to the tax levied by the Arkansas Gross
29 Receipts Act of 1941, § 26-52-101 et seq.

30 (2) The tax shall be collected, reported, and paid in the same
31 manner and at the same time as prescribed by the Arkansas Gross Receipts Act
32 of 1941, § 26-52-101 et seq., for the collection, reporting, and payment of
33 Arkansas gross receipts taxes.
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35 SECTION 2. Arkansas Code § 26-52-311(b)(1), pertaining to the rental
36 vehicle tax, is amended to read as follows:



1 (b)(1) In addition to the rate in subsection (c) of this section, the
 2 rental vehicle tax shall be levied at the ~~same rate as the combined gross~~
 3 ~~receipts taxes levied by §§ 26-52-301 and 26-52-302 and any act supplemental~~
 4 ~~thereto~~ rate of five percent (5%) and the rate of any applicable municipal or
 5 county taxes.

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 7 SECTION 3. Arkansas Code § 26-53-107, effective until contingency in
 8 Acts 2003, No. 1273, § 88 is met, is amended to add an additional subsection
 9 to read as follows:

10 (d)(1) Beginning April 1, 2004, there is levied an additional excise
 11 tax of five-eighths of one percent (0.625%) upon all tangible personal
 12 property subject to the tax levied by the Arkansas Compensating Tax Act of
 13 1949, § 26-53-101 et seq.

14 (2) The tax shall be collected, reported, and paid in the same
 15 manner and at the same time as is prescribed by the Arkansas Compensating Tax
 16 Act of 1949, § 26-53-101 et seq., for the collection, reporting, and payment
 17 of Arkansas compensating taxes.

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 19 SECTION 4. Arkansas Code § 26-53-107, effective when contingency in
 20 Acts 2003, No. 1273, § 88 is met, is amended to read as follows:

21 (d)(1) Beginning April 1, 2004, there is levied an additional excise
 22 tax of five-eighths of one percent (0.625%) upon all tangible personal
 23 property and taxable services subject to the tax levied by the Arkansas
 24 Compensating Tax Act of 1949, § 26-53-101 et seq.

25 (2) The tax shall be collected, reported, and paid in the same
 26 manner and at the same time as is prescribed by the Arkansas Compensating Tax
 27 Act of 1949, § 26-53-101 et seq., for the collection, reporting, and payment
 28 of Arkansas compensating taxes.

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 30 SECTION 5. Educational Adequacy Trust Fund.

31 (a) There is created on the books of the Treasurer of State, the
 32 Auditor of State, and Chief Fiscal Officer of the State a special revenue
 33 fund to be known as the Educational Adequacy Trust Fund.

34 (b) The Educational Adequacy Trust Fund shall consist of the revenues
 35 generated by Arkansas Code §§ 26-52-302(d), 26-53-107(d), and other revenues
 36 as provided by law.

1 (c) On the last day of the month, the Treasurer of State shall
2 transfer amounts available in the Educational Adequacy Trust Fund to the
3 Department of Education Public School Fund Account established in Arkansas
4 Code § 19-5-305, to be used for the purposes provided by law. The Treasurer
5 of State shall make the transfer after making the deductions required from
6 the net special revenues as set out in Arkansas Code § 19-5-203(b)(2)(A).

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8 SECTION 6. EMERGENCY CLAUSE. It is found and determined by the
9 General Assembly, that the provision of an equal opportunity for an adequate
10 education to all the citizens of the state is imperative; that additional
11 funds are immediately needed to provide an equal opportunity for an adequate
12 education; that this act is designed to provide the additional revenues
13 needed to provide this equal opportunity to all citizens; and that a delay in
14 the effective date of this act will cause irreparable harm upon the provision
15 of essential education opportunities and the proper administration of
16 educational programs. Therefore, an emergency is declared to exist and this
17 act being necessary for the immediate preservation of the public peace,
18 health, and safety shall be in full force and effect from and after the date
19 of April 1, 2004.

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