

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 85th General Assembly
3 Regular Session, 2005

A Bill

HOUSE BILL 2633

4
5 By: Representatives Stovall, Bradford, Abernathy, Adams, Blair, Blount, Bolin, Borhauer, Boyd, Bright,
6 Chesterfield, Childers, Cowling, Dangeau, Davenport, Dickinson, Elliott, L. Evans, D. Evans, Fite,
7 Flowers, George, Goss, Hardwick, Key, Ledbetter, W. Lewellen, Mahony, Nichols, Overbey, Pickett,
8 Rankin, Roebuck, Saunders, Sullivan, Sumpter, Thyer, Walters, Willis, Dobbins
9 By: Senators Capps, Brown, Luker, J. Bookout, Broadway, Bryles, Glover, Higginbothom, Horn, J.
10 Jeffress, Madison, Malone, Miller, Trusty, Wooldridge

For An Act To Be Entitled

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12
13 AN ACT TO CONTINUE THE SUPPLEMENTAL MIXED DRINK
14 TAX OF FOUR PERCENT (4%) FOR THE BENEFIT OF THE
15 UNIVERSITY OF ARKANSAS FOR MEDICAL SCIENCES; AND
16 FOR OTHER PURPOSES.
17

Subtitle

18
19 AN ACT TO CONTINUE THE SUPPLEMENTAL
20 MIXED DRINK TAX OF FOUR PERCENT (4%) FOR
21 THE BENEFIT OF THE UNIVERSITY OF
22 ARKANSAS FOR MEDICAL SCIENCES.
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26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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28 SECTION 1. Effective January 1, 2006, Arkansas Code § 3-9-213(b) and
29 (c), pertaining to supplemental taxes on sales of alcoholic beverages, are
30 amended to read as follows:

31 (b)(1) In addition, there is levied a supplemental tax of ~~twelve~~
32 ~~percent (12%)~~ ten percent (10%) upon the gross proceeds or gross receipts
33 from the sale of alcoholic beverages pursuant to this subchapter. ~~The~~
34 ~~supplemental tax imposed by this subsection is a temporary rate and will~~
35 ~~decrease to ten percent (10%) upon the gross proceeds or gross receipts from~~
36 ~~such sales of alcoholic beverages at such time after 1983 as the Arkansas~~



1 ~~gross receipts tax levied by the Arkansas Cross Receipts Act of 1941, as~~
 2 ~~amended, is increased.~~

3 (2)(A) In addition to the tax levied under subdivision (b)(1) of
 4 this section, a supplemental tax of four percent (4%) is levied on the gross
 5 proceeds or gross receipts from the sale of alcoholic beverages under this
 6 subchapter.

7 (B) However, the tax levied under subdivision (b)(2)(A) of
 8 this section shall not apply to gross proceeds or gross receipts from the
 9 sale of beer or wine.

10 (c)(1) The supplemental tax shall be reported and paid to the Director
 11 of the Department of Finance and Administration in the same manner and at the
 12 same time as the gross receipts tax and shall be subject to such reasonable
 13 rules and regulations as the director may prescribe, including the
 14 maintenance of permanent records showing all purchases and sales of alcoholic
 15 beverages.

16 (2)(A) The tax levied under subdivision (b)(2) of this section
 17 shall be credited as special revenues to the University of Arkansas Medical
 18 Center Fund.

19 (B)(i) The funds credited under subdivision (c)(2)(A) of
 20 this section shall be used exclusively for making loan repayments for
 21 construction projects authorized by Acts 261, No. 1989 (1st Ex. Sess.) until
 22 the loan is paid in full.

23 (ii) After the Chancellor of the University of
 24 Arkansas for Medical Sciences certifies in writing to the Chief Fiscal
 25 Officer of the State that the loan has been repaid in full, then revenue from
 26 the tax collected under subdivision (b)2) of this section may be used for any
 27 purpose authorized by law.

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 30 SECTION 2. Effective January 1, 2006, Arkansas Code § 3-9-223(b) and
 31 (c), pertaining to supplemental taxes on private club receipts, are amended
 32 to read as follows:

33 (b)(1) In addition, there is levied a supplemental tax of ~~twelve~~
 34 ~~percent (12%)~~ ten percent (10%) upon the gross proceeds or gross receipts
 35 derived by the private club from the charges to members for the preparation
 36 and serving of mixed drinks or for the cooling and serving of beer and wine,

1 drawn from the private stocks of the members as provided in § 3-9-221, for
 2 consumption only on the premises where served.

3 ~~(2) The supplemental tax rate levied by this subsection is a~~
 4 ~~temporary rate and will decrease to ten percent (10%) upon the gross proceeds~~
 5 ~~or gross receipts from such charges to members at such time after 1983 as the~~
 6 ~~Arkansas gross receipts tax levied by § 26-52-101 et seq., the Arkansas Gross~~
 7 ~~Receipts Act of 1941, as amended, is increased. In addition to the tax levied~~
 8 ~~under subdivision (b)(1) of this section, a supplemental tax of four percent~~
 9 ~~(4%) is levied on the gross proceeds or gross receipts derived by the private~~
 10 ~~club from the charges to members for the preparation and serving of mixed~~
 11 ~~drinks drawn from the private stocks of the members as provided in § 3-9-221~~
 12 ~~for consumption only on the premises where served.~~

13 (c)(1) The supplemental tax shall be reported and paid to the Director
 14 of the Department of Finance and Administration in the same manner and at the
 15 same time as the gross receipts tax under § 26-52-101 et seq., the Arkansas
 16 Gross Receipts Act of 1941, as amended, and shall be in addition to the tax.

17 (2)(A) The tax levied under subdivision (b)(2) of this section
 18 shall be credited as special revenues to the University of Arkansas Medical
 19 Center Fund.

20 (B)(i) The funds credited under subdivision (c)(2)(A) of
 21 this section shall be used exclusively for making loan repayments for
 22 construction projects authorized by Acts 261, No. 1989 (1st Ex. Sess.) until
 23 the loan is paid in full.

24 (ii) After the Chancellor of the University of
 25 Arkansas for Medical Sciences certifies in writing to the Chief Fiscal
 26 Officer of the State that the loan has been repaid in full, then revenue from
 27 the tax collected under subdivision (b)2) of this section may be used for any
 28 purpose authorized by law.

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 30 SECTION 3. Effective January 1, 2006, uncodified section 3(A) of Act
 31 261 of the First Extraordinary Session of 1989 is repealed.

32 ~~(A) In order to assist the University of Arkansas for Medical Sciences~~
 33 ~~in making loan repayments, there is hereby levied an additional tax of four~~
 34 ~~percent (4%) which shall be in addition to and shall be collected in the same~~
 35 ~~manner as the supplemental tax imposed by Arkansas Code 3-9-213 on the gross~~
 36 ~~proceeds or gross receipts from the sale of alcoholic beverages sold for on~~

1 ~~premises consumption and there is levied an additional tax of four percent~~
2 ~~(4%) which shall be in addition to and shall be collected in the same manner~~
3 ~~as the supplemental tax imposed by Arkansas Code 3-9-223 on the gross~~
4 ~~proceeds or gross receipts derived by a private club from the charges to~~
5 ~~members for the preparation and serving of mixed drinks only. Beer and wine~~
6 ~~sales are specifically exempt from the additional tax levied herein including~~
7 ~~those sales in 'wet' or 'dry' counties or parts thereof and those beer and~~
8 ~~wine sales in public or private establishments. The tax receipts shall be~~
9 ~~deposited as special revenues into the State Treasury and credited to the~~
10 ~~University of Arkansas Medical Center Fund to be used exclusively for making~~
11 ~~loan repayments for construction projects authorized by this Act. The tax~~
12 ~~levied herein shall be in effect only from the effective date of this Act~~
13 ~~through the final loan repayment made by the University of Arkansas for~~
14 ~~Medical Sciences. This Act gives no additional taxing authority to any~~
15 ~~municipality. The Chancellor of the University of Arkansas for Medical~~
16 ~~Sciences shall certify in writing to the Chief Fiscal Officer of the State~~
17 ~~when the final loan repayment has been made, who shall then notify the~~
18 ~~Commissioner of Revenues that the tax levied herein has expired. Any monies~~
19 ~~received after such date shall be deposited in the State Treasury to be~~
20 ~~credited to the State Central Services Fund.~~

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