

1 State of Arkansas  
2 90th General Assembly  
3 Regular Session, 2015  
4

As Engrossed: S3/19/15 H3/25/15

# A Bill

SENATE BILL 745

5 By: Senator J. Hutchinson  
6

## For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING THE TAX APPLICABLE  
9 TO COIN-OPERATED AMUSEMENT DEVICES; TO AMEND THE  
10 DEFINITIONS APPLICABLE TO COIN-OPERATED AMUSEMENT  
11 DEVICES; TO MAKE TECHNICAL CHANGES; AND FOR OTHER  
12 PURPOSES.  
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## Subtitle

15 TO AMEND THE LAW CONCERNING THE TAX  
16 APPLICABLE TO COIN-OPERATED AMUSEMENT  
17 DEVICES; AND TO AMEND THE DEFINITIONS  
18 APPLICABLE TO COIN-OPERATED AMUSEMENT  
19 DEVICES.  
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
24

25 SECTION 1. Arkansas Code § 26-57-402 is amended to read as follows:  
26 26-57-402. Definitions.

27 As used in this subchapter:

28 (1)(A) "Amusement device" means ~~any~~ a coin-operated machine,  
29 device, or apparatus ~~which~~ that provides amusement, diversion, or  
30 entertainment and includes, ~~but is not limited to,~~ without limitation such  
31 games as:

- 32 ~~(A)~~ (i) Radio rifles;
- 33 ~~(B)~~ (ii) Miniature football;x
- 34 ~~(C)~~ (iii) Golf;
- 35 ~~(D)~~ (iv) Baseball;
- 36 ~~(E)~~ (v) Hockey+;



1                   ~~(F)~~ (vi) Bumper pool;  
 2                   ~~(G)~~ (vii) Tennis;  
 3                   ~~(H)~~ (viii) Shooting galleries;  
 4                   ~~(I)~~ (ix) Pool tables;  
 5                   ~~(J)~~ (x) Bowling;  
 6                   ~~(K)~~ (xi) Shuffleboard;  
 7                   ~~(L)~~ (xii) Pinball tables;  
 8                   ~~(M)~~ (xiii) Marble tables;  
 9                   ~~(N)~~ (xiv) Music vending phonographs;  
 10                   ~~(O)~~ (xv) Jukeboxes;  
 11                   ~~(P)~~ (xvi) Cranes;  
 12                   ~~(Q)~~ (xvii) Video games;  
 13                   ~~(R)~~ (xviii) Claw machines;  
 14                   ~~(S)~~ (xix) Bowling machines;  
 15                   ~~(T)~~ (xx) Countertop machines;  
 16                   ~~(U)~~ (xxi) Novelty arcade machines;  
 17                   ~~(V)~~ (xxii) Other similar musical devices for

18 entertainment; and

19                   ~~(W)~~ (xxiii) Other miniature games, whether or not  
 20 the games show a score, ~~which~~ that are not otherwise excluded in this  
 21 subchapter.

22                   (B) "Amusement device" does not include a machine, device,  
 23 or apparatus that constitutes a casino-gambling style game, including without  
 24 limitation mechanical or electronic:

25                   (i) Draw games;

26                   (ii) Slot machines;

27                   (iii) Roulette wheels;

28                   (iv) Craps;

29                   (v) Video poker; and

30                   (vi) Casino-gambling style games of any other type  
 31 in which the outcome is determined substantially by chance;

32                   (2)(A) "Any money or property", "other articles", "other  
 33 valuable things", or "any representative of anything that is esteemed of  
 34 value", as used in the antigambling statutes, § 5-66-101 et seq., shall not  
 35 be expanded to include:

36                   (i) A free amusement feature such as the privilege

1 of playing additional free games if a certain score is made on a pinball  
2 table or on any other amusement device described in this section; or

3 (ii) Toys, novelties, candy, or representations of  
4 value redeemable for those items ~~which that~~ are won by the player of a bona  
5 fide amusement device ~~which that~~ rewards players exclusively with merchandise  
6 limited to toys, novelties, or representations of value redeemable for those  
7 items, ~~which that~~ have a wholesale value of not more than ten (10) times the  
8 cost charged to play the amusement device one (1) time or five dollars  
9 (\$5.00), whichever is less.

10 (B)(i) ~~In the event of the accumulation of~~ If a player  
11 accumulates redeemable representations of value ~~by any player, no a~~ toy or  
12 novelty having a wholesale value of more than *twelve dollars and fifty cents*  
13 *(\$12.50) may be or, for a toy or novelty offered in a facility described in*  
14 *subdivision (2)(C) of this section, five hundred dollars (\$500), shall not be*  
15 *given or awarded by any an* amusement device operator or redeemed by ~~any a~~  
16 player.

17 (ii) The toys and novelties shall be displayed in a  
18 single area on each premises.

19 (iii) Furthermore, each operator shall maintain  
20 records validating the wholesale value of the toys and novelties.

21 (iv) The toys and novelties shall be located solely  
22 *on the premises where the amusement device is played.*

23 (C) If a player accumulates redeemable representations of  
24 value, a toy or novelty with a wholesale value of no more than five hundred  
25 dollars (\$500) may be given or awarded by an amusement device operator or  
26 redeemed by a player only if the toy or novelty is offered in a facility  
27 that:

28 (i) Is in excess of twenty-five thousand square feet  
29 (25,000 sq. ft.);

30 (ii) Offers a full-service restaurant menu during  
31 all hours of operation;

32 (iii) Offers at least one hundred (100) amusement  
33 devices; and

34 (iv) Is located in a county that has a population  
35 that exceeds three hundred fifty thousand (350,000) and is traversed by a  
36 navigable river.

1 (D)(i) A toy, novelty, or candy given or awarded to a  
 2 player as a reward for playing an amusement device shall not be traded,  
 3 redeemed, sold, leased, or otherwise exchanged for money, property, or other  
 4 valuable thing:

5 (a) To any other person located on the  
 6 premises who is associated with an amusement device operator; or

7 (b) For the purpose of circumventing the  
 8 antigambling statutes stated in § 5-66-101 et seq.

9 (ii) A toy, novelty, or candy given or awarded to a  
 10 player shall not be subsequently re-awarded to another player by the  
 11 amusement device operator;

12 (3) "Candy" means a food item that:

13 (A) Has sugar as its principal ingredient; and

14 (B) Does not contain alcohol;

15 ~~(3)~~ (4) "Coin-operated" means ~~any~~ a machine, device, or  
 16 apparatus ~~which~~ that is operated by placing through a slot or any kind of  
 17 opening or container ~~any~~ a coin, slug, token, or other object or article  
 18 necessary to be inserted before the machine operates or functions but does  
 19 not include ~~any~~ a machine or device ~~which~~ that is classified by the United  
 20 States Government as requiring a federal gaming stamp under applicable  
 21 provisions of the Internal Revenue Code;

22 ~~(4)~~ (5) "Novelty" means an article of trade whose value is  
 23 chiefly decorative, comic, commemorative, or the like, and whose appeal is  
 24 often transitory;

25 ~~(5)~~ (6) "Person" means ~~any~~ an individual, firm, association,  
 26 company, partnership, limited liability company, corporation, joint-stock  
 27 company, club, agency, syndicate, the State of Arkansas, county, municipal  
 28 corporation or other political subdivision of this state, receiver, trustee,  
 29 fiduciary, or trade association; and

30 ~~(6)~~ (7) "Toy" means ~~a small~~ an article ~~of little value but~~ that  
 31 has a wholesale value that does not exceed *five hundred dollars (\$500)* and  
 32 that is prized as a souvenir or for some other special reason, ~~a trinket, a~~  
 33 ~~knickknack, or a bauble~~ including without limitation a stuffed animal, game,  
 34 or electronic device.

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 36 /s/J. Hutchinson