

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.

Act 277 of the Regular Session

As Engrossed: S1/30/07 S2/6/07

A Bill

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007

SENATE BILL 31

4
5 By: Senators Madison, *Salmon*
6 By: Representatives Harrelson, Burris

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9 **For An Act To Be Entitled**

10 AN ACT TO PROHIBIT REFERRALS TO WEBSITES OF
11 TEXTBOOK *RETAILERS* THAT ARE NOT REQUIRED TO
12 COLLECT AND DO NOT AGREE TO PAY ARKANSAS SALES
13 AND USE TAXES; AND FOR OTHER PURPOSES.

14
15 **Subtitle**

16 TO PROHIBIT REFERRALS TO WEBSITES OF
17 TEXTBOOK *RETAILERS* THAT ARE NOT REQUIRED
18 AND DO NOT AGREE TO COLLECT ARKANSAS
19 SALES AND USE TAXES.

20
21
22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23
24 SECTION 1. Arkansas Code Title 6, Chapter 60, is amended to add an
25 additional subchapter to read as follows:

26
27 Subchapter 6 – Textbooks and course materials

28 6-60-601. Website links for textbooks and course materials.

29 (a) No state-supported institution of higher education in this state
30 shall place or permit to be placed on its website or its bookstore's website
31 a link to the website of a retailer of textbooks or other educational
32 materials if the retailer:

33 (1) Is not required to report and pay Arkansas sales and use
34 taxes; and

35 (2) Does not obtain a use tax permit from the Department of



1 Finance and Administration and report and pay Arkansas sales and use taxes on
2 sales of textbooks and other educational materials to residents of this
3 state.

4 (b) This section is intended to promote the state's ability to provide
5 a quality but affordable higher education by strengthening the state's
6 relationship with textbook retailers that support the state's educational
7 mission by:

8 (1) Paying Arkansas sales and use taxes; and

9 (2) Interacting locally with state-supported institutions of
10 higher education.

11 (c) Nothing in this section prevents a faculty member from referring
12 students to any source for required or suggested textbooks or course
13 materials.

14 (d)(1) A violation of subsection (a) of this section shall be reported
15 to the Department of Finance and Administration.

16 (2) If the Department of Finance and Administration determines
17 that a violation of subsection (a) of this section has occurred, it shall
18 notify the state-supported institution of higher education of the violation.

19
20 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
21 General Assembly of the State of Arkansas that many retailers of textbooks
22 outside of the State of Arkansas do not pay sales and use taxes to the state
23 for in-state sales; that the additional revenue to be generated by the
24 passage of this act is needed to help provide the best state-supported higher
25 education possible; and that the loss of such sales and use tax revenue
26 should be stopped or limited immediately. Therefore, an emergency is declared
27 to exist and this act being immediately necessary for the preservation of the
28 public peace, health, and safety shall become effective on:

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

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

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

35
36 /s/ Madison

APPROVED: 3/16/2007